MOL Hungarian Oil and Gas Plc. (Reuters: MOLB.BU, MOLBq.L, Bloomberg: MOL HB, MOL LI; homepage: www.mol.hu), today announced its 2011 second quarter and first half year report. Pages 17-35 of this report contains a set of unaudited interim condensed consolidated financial statements for the six-month period ended 30 June 2011 as prepared by the management in accordance with IAS 34 Interim Financial Reporting.).

MOL Group financial results

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	(IFRS), in HUF billion	H1 2010 restated	H1 2011	Ch. %
1,177.2	1,298.4	1,053.8	23	Net sales revenues	1,930.0	2,475.6	28
176.6	155.3	110.6	40	EBITDA	229.4	331.9	45
186.0	**163.8**	**146.4**	**12**	**EBITDA excl. special items**[(1)]	**269.4**	**349.8**	**30**
109.1	78.4	46.2	70	Profit from operation	94.3	187.6	99
120.9	**87.0**	**82.0**	**6**	**Profit from operation excl. special items**[(1)]	**134.3**	**207.8**	**55**
78.0	86.1	85.2	1	Clean CCS-based operating profit [(1) (4)]	139.4	164.0	18
(28.6)	10.3	77.5	(87)	Net financial expenses/(gain)	101.3	(18.4)	n.a.
92.7	54.0	(43.2)	n.a.	Net profit for the period[(2)]	(24.2)	146.6	n.a.
101.8	**61.1**	**(15.0)**	**n.a.**	**Net profit for the period excl. special items**[(1) (2)]	**7.4**	**162.9**	**2,095**
(26.0)	132.2	276.1	(52)	Operating cash flow	176.9	106.2	(40)
				EARNINGS PER SHARE			
1,076	618	(512)	n.a.	Basic EPS, HUF	(287)	1,691	n.a.
1,190	699	(177)	n.a.	Basic EPS excl. special items [(2)],HUF	88	1,878	2,034

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	(IFRS), in USD million	H1 2010 restated	H1 2011	Ch. %
5,904	7,020	4,877	44	Net sales revenues	9,405	12,886	37
886	839	512	64	EBITDA	1,118	1,728	55
933	**886**	**677**	**31**	**EBITDA excl. special items**[(1)]	**1,313**	**1,821**	**39**
547	424	214	99	Profit from operation	459	976	113
606	**470**	**379**	**24**	**Profit from operation excl. special items** [(1)]	**655**	**1,082**	**65**
390	465	394	18	Clean CCS-based operating profit [(1) (4)]	636	854	34
(144)	55	359	(85)	Net financial expenses/(gain)	494	(96)	n.a.
465	292	(200)	n.a.	Net profit for the period[(2)]	(118)	763	n.a.
511	**330**	**(69)**	**n.a.**	**Net profit for the period excl. special items** [(1)] [(2)]	**36**	**848**	**2,245**
(130)	715	1,278	(44)	Operating cash flow	862	553	(36)
				EARNINGS PER SHARE			
5.4	3.3	(2.4)	n.a.	Basic EPS, USD	(1.4)	8.8	n.a.
6.0	3.8	(0.8)	n.a.	Basic EPS excl. special items[(2)], USD	0.4	9.8	2,179

(1) Special items of operating profit and EBITDA are detailed in Appendix I.
(2) Profit for the period attributable to equity holders of the parent
(3) In converting HUF financial data into USD, the following average NBH rates were used: for Q2 2010: 216.1 HUF/USD, for H1 2010: 205.2 HUF/USD, for Q1 2011: 199.4 HUF/USD, for Q2 2011: 185.0 HUF/USD, for H1 2011: 192.1 HUF/USD.
(4) Estimated Current Cost of Supply based operating profit/(loss) excluding special items, FX gain or loss on debtors and creditors and impairment on inventories in Refining and Marketing

In the first half of 2011 MOL delivered another strong result. HUF 350 bn EBITDA and HUF 208 bn operating profit (both excluding special items) are 30% and 55% higher, respectively compared to H1 2010.

Upstream delivered almost 80% of the operating profit. Segment result was boosted by higher crude oil prices and elevated hydrocarbon production level, but it was negatively affected by the weak USD. Considerably improved operating profit in Downstream division was supported by higher sales volume and FX gain, but the overall refining environment remained very challenging. Gas Midstream division managed to maintain similar result as last year, despite the negative regulatory environment, being in force in the closed gas-year, which temporary shrunk the profitability of the transmission business.

In Q2 2011 both EBITDA and operating profit, excluding special items improved compared to the same period of last year, to HUF 164 bn and HUF 87 bn respectively. However comparing to the first quarter of this year, both EBITDA and operating profit declined, the Clean CCS-based operating profit improved slightly.

In Q2 2011 Upstream EBITDA remained on Q1 level and improved by 16% compared to the same period of last year. Result was supported by higher realized hydrocarbon prices, but negatively affected by

weak USD. In the second quarter of 2011 Clean CCS-based Downstream result turned to positive again on the back of higher sales volume, despite still challenging refinery environment.

Net profit of the Group reached HUF 147 bn in H1 2011 after HUF 24 bn loss in H1 2010. Beside boosted operating profit, net financial gain also contributed to the improvement, mainly as unrealized foreign exchange gain, due to strengthened HUF.

Operating cash flow before movements in working capital increased by 27% and amounted to HUF 340 bn. Despite the higher working capital need, in line with the higher price levels, HUF 106 bn operating cash inflow was reached in H1 2011. Decreased net debt position and further improvement of gearing ratio (27.7%) at the end of the period was derived by strong operational result.

Mr Zsolt Hernádi, MOL Chairman-CEO commented:

MOL delivered strong result in the first half of 2011 again. Upstream segment was the main profit contributor thanks to higher international production and profit contribution. To further improve the profit generation of the segment we are aiming to execute intensive investment programs in Russia, Syria, Kurdistan Region of Iraq and of course in the core CEE countries. In Downstream our complex assets are delivering good results despite still challenging refinery environment. Looking at ther results delivered already it can be seen that we are on the right track to transform INA to a more efficient regional player, but further investments and efficiency improvements are essential.

In the first six month of the year we strengthened further our financial position. Operating results proved our strong cash generation capability, while we also improved the structure of our credit facilities. These provide good basis for delivering organic growth projects and selected inorganic steps.

- **Upstream** operating profit, excluding special items increased to HUF 162 bn, by 29% in H1 2011 compared to the same period of the previous year. This profit growth derived from combination of positive effects, such as increased production volumes from Syria and Croatian off-shore and 26% higher realized hydrocarbon prices in line with increasing international quotations. Positive effects were moderated by 6% stronger HUF against USD.
- **Downstream** operating profit, excluding special items improved significantly from the very low basis of last year to HUF 56 bn. The profit increase was influenced positively by both internal and external factors, like higher sales volume, more efficient operation, lower unit cost of refining, higher Brent-Ural spread, better petrochemical environment and FX gain on debtors and creditors.
- **Gas Midstream** segment's operating profit, excluding special items accounted for HUF 33 bn. The most important profit contributor remained the FGSZ Ltd (gas transmission business), however the temporary freeze of gas tariffs by 1 July 2010 affected negatively the H1 2011 result.
- **A net financial gain** of HUF 18 bn was recorded in H1 2011 (compared to the net financial expense of HUF 101 bn in H1 2010). In H1 2011 a net foreign exchange gain of HUF 45 bn was recognised, compared to the loss of HUF 93 bn in H1 2010. The fair valuation difference on the conversion option embedded in the capital security issued in the monetization of treasury shares by Magnolia Finance Ltd. was HUF 5.0 bn decrease of liability. In addition, a loss of HUF 12.9 bn has been incurred on the fair valuation of the call option on MOL shares owned by CEZ.
- **CAPEX spending** was HUF 94 bn (46% lower than previous year) in H1 2011. The investments focused on CEE region, Russia and Syria in Upstream, on Thermal Power Plant revamp at Bratislava refinery and finalization of Rijeka refinery modernization in Downstream.
- **Net profit for the period** increased to HUF 147 bn in H1 2011, compared to HUF 24 bn loss in H1 2010, as a combined effect of better operating result and net financial gain.
- **Operating cash inflow** in H1 2011 was HUF 106 bn, compared to HUF 177 bn cash flow in H1 2010. Operating cash flow before movements in working capital increased by 27%.
- **Net debt position** decreased to HUF 784 bn, resulting in an improved, 27.7% gearing ratio at the end of June 2011.

Overview of the environment

The global economy's recovery continued in most major economies (with the exception of the disaster-hit Japan) – at least based on available data. But recent evidence points to a serious global slowdown. The Eurozone's sovereign debt crisis continued with full swing as Greece could barely steer away from a disorderly default. The eventual outcome was a second international bailout worth an additional EUR 109 bn and the voluntary involvement of private investors in Greek debt restructuring that will likely amount to a selective default. At the same time, rating agencies cut all three European bailout countries' credit ratings to below junk status, effectively barring them from debt markets for a prolonged period, while fears that the contagion may bring down Spain, Italy or even France flared up with renewed force in Q2 2011. The US economy presented the most obvious illustration of slowing economic activity as GDP growth showed at an annualized growth rate of 1.3% in Q2 2011 (after a downwardly-revised 0.4% in Q1). The slowdown was partly attributable to the supply chain disruptions caused by the Japanese earthquake, the negative effect of booming commodity prices on consumption and the definitive end of the second round of quantitative easing (QE2) with no additional stimulus measures in sight. China's economic growth slowed to a still robust 10.3% y-o-y in Q2 2011, but Chinese industrial activity was headed for a potential contraction towards the end of Q2, while rapidly growing inflation (at 6.4% in June), fuelled by rising global commodity prices, showed no signs of abating. This mixed picture about the health of the Chinese economy, which so far has been the primary driver of the global recovery, creates yet more uncertainties about the outlook for the global economy as a whole.

Oil prices followed a volatile trading pattern, overall showing a decline in Q2 2011 from the peak levels of above USD 125 seed during April to around USD 110 by the end of the period. The Dated Brent averaged at 117 USD/bbl in Q2 2011, 11% higher q-o-q and 50% higher y-o-y. The first price drop came with a sudden USD 12 "flash crash" in early-May, which was seen by most analysts as a significant correction after geopolitical concerns related to the Arab spring started to ebb away, global economic activity showed ever more signs of weakness and the US Fed made clear that QE2 will end on schedule, implying a strengthening dollar. The second notable weakening occurred in mid-June as Saudi Arabia began pumping an additional 650,000 bbl/day to the market, in spite of OPEC's failure to agree on a quota increase at its June 8 meeting in Vienna. Prices fell temporarily further (to around USD 110) in late June following the IEA's decision to release 60 mn bbl of oil from OECD emergency stockpiles to address the shortage of quality sweet crude created by the Libyan civil war. The measure had only a very short-lived impact over the oil price, but it apparently had a more lasting effect in tightening light/heavy spreads (including the Brent-Ural spread) and in removing the backwardation (meaning higher spot than futures prices) from the crude markets. Despite the temporary easing of oil prices during Q2, fundamentals remain largely supportive, as OPEC spare capacity dropped further (due to the Saudi output increase) to the alarming region of between 2.5 to 3.5 mn bbl/day, while OECD commercial stocks (at 58.6 days of forward demand cover in May) slowly receded to the 5-year average level. The demand outlook is also bullish as the IEA expects that the seasonally weak Q2 demand of 88.2 mn bbl/day will be followed by record demand levels of 90.3 and 90.6 mn bbl/day in Q3 and Q4 2011, respectively.

Refining margins remained well below historic average levels during Q2 2011. Both diesel and jet fuel crack spreads remained relatively flat during Q2 2011 and slightly below their Q1 levels, as a combined result of slowing but still continuing Asian demand growth, ample middle distillate inventories and seasonal weakness. Overall, diesel was significantly weaker than the 5-year average, while jet fuel crack spreads surpassed historic average levels. Gasoline far exceeded 5-year average levels in Q2 due to sudden but temporary spike around May, which was driven by a sharp drawdown in US gasoline inventories and market anxiety about the potential impact of the Mississippi River flooding on several large US refineries. Naphtha was much weaker in Q2 2011 compared to Q1, partly reflecting the slowdown of industrial activity in both Europe and Asia. Negative fuel oil crack spreads responded to gradually decreasing crude prices and strengthened substantially from well below to slightly above the 5-year average during Q2 2011, but the quarterly average was bellow Q1 2011.

The Brent-Urals spread followed a declining pattern in Q2 2011 from near 4 USD/bbl in May down to just below 1 USD/bbl by early-July. The first significant drop between late-April and late-May was the result of the gradual strengthening of fuel oil crack spreads from their historically weak levels, which appreciated the heavier Urals (with a higher fuel oil yield) and subsequently narrowed the Brent-Urals spread. The second drop came after the IEA emergency stockpile release, which mainly poured light sweet crude onto the market (to make up for the missing Libyan barrels), which reduced the premium on the similarly light Brent type relative to the Urals, further narrowing their price differential.

The CEE region's recovery likely moderated during Q2 2011 in line with the slowdown of the global and the Eurozone economy. The small export-oriented economies in the region (particularly Hungary, Slovakia and to a lesser extent Croatia as well) still rely mostly on manufacturing exports for their recovery, and thus remain highly vulnerable to any such loss of momentum in global and Western European demand that seemed apparent during Q2 2011. At the same time, domestic demand in most CEE economies remain subdued by weak labor markets, shrinking or stagnating real wages and high inflation. Additional fiscal tightening is also inevitable in most CEE economies to bring down budget deficits, which is likely to constrain domestic demand in the years ahead. The continuing Eurozone debt crisis remains another downside risk to the region, as a general flight of capital from the EU periphery may easily spill over to those “emerging” economies of the region that seem to share some of the structural weaknesses as the distressed Eurozone economies.

Upstream

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	Segment IFRS results (HUF bn)	H1 2010 restated	H1 2011	Ch. %
115.4	114.5	63.5	80	EBITDA	152.0	229.9	51
116.8	**115.1**	**99.4**	**16**	**EBITDA excl. spec. items[1]**	**187.8**	**231.9**	**23**
83.8	73.8	35.9	106	Operating profit/(loss)	90.0	157.6	75
87.5	**74.4**	**71.7**	**4**	**Operating profit/(loss) excl. spec. items[1]**	**125.9**	**161.9**	**29**
16.0	20.7	26.6	(22)	CAPEX and investments	56.4	36.7	(35)

Q1 2011	Q2 2011	Q2 2010	Ch. %	Hydrocarbon Production [2] (gross figures before royalty)	H1 2010	H1 2011	Ch. %
584	**576**	**618**	**(7)**	**Crude oil production (kt) [3]**	**1,221**	**1,161**	**(5)**
155	157	166	(5)	Hungary	337	313	(7)
115	115	118	(3)	Croatia	240	229	(5)
236	231	255	(9)	Russia	493	468	(5)
78	73	79	(8)	Other International	151	151	0
1,341	**1,355**	**1,268**	**7**	**Natural gas production (m cm, net dry)**	**2,481**	**2,696**	**9**
521	512	555	(8)	Hungary	1,116	1,032	(8)
577	561	589	(5)	Croatia	1,130	1,138	1
354	*342*	*354*	*(3)*	*ow. Croatia offshore*	*655*	*696*	*6*
178	217	66	229	Syria	125	396	216
65	65	58	12	Other International	110	130	18
167	**178**	**137**	**30**	**Condensate (kt) [4]**	**277**	**346**	**25**
57	53	68	(22)	Hungary	138	111	(20)
110	125	69	81	Other International	139	235	69
151,160	**151,165**	**145,018**	**4**	**Average hydrocarbon prod. (boe/d)**	**143,631**	**151,162**	**5**
Q1 2011	**Q2 2011**	**Q2 2010**	**Ch. %**	**Average realised hydrocarbon price**	**H1 2010**	**H1 2011**	**Ch. %**
80.9	94.9	63.2	50	Crude oil and condensate price (USD/bbl)	62.3	88.2	41
67.1	75.8	57.4	32	Total hydrocarbon price (USD/boe)	56.7	71.6	26

[1] Operating profit excluding the provision made for the recovery of mining royalty rendered by the EU Commission (HUF 35.8 bn) in Q2 2010, the provision for redundancy recorded at INA in Q1 2011 (HUF 0.7 bn), the crisis tax imposed by the Hungarian state on domestic energy sector recorded in Q1 and Q2 2011 (HUF 0.6 bn in both quarters) and the impact of impairment on Crosco Group's Lybian exploration equipment recognised in Q1 2011 (HUF 2.4 bn – having no impact on EBITDA).
[2] Excluding crude and condensate production from Szőreg-1 field converted into strategic gas storage from 2008
[3] Excluding separated condensate
[4] Including LPG and other gas products

In H1 2011, segment operating profit, excluding special items increased to HUF 161.9 bn, by 29% compared to the same period of the previous year. This profit growth derived from combination of positive effects, such as (1) increased production volumes from Syria driven by recently finished major investment programs and from Croatian off-shore and (2) 26% higher realized hydrocarbon prices in line with increasing international quotations, which were moderated by weakening USD.

In Q2 2011 segment operating profit, excluding special items, compared to Q1 decreased to HUF 74.4 bn, as positive effect of crude quotation increase was overcompensated by (1) weakening USD and (2) significantly higher depreciation, mostly due to asset activation in Syria. In USD terms segment's EBITDA, excluding special items increased by 6% to 622 mn.

Average daily hydrocarbon production increased to 151,162 boe/day in H1 2011 exceeding the base production as a result of higher Adriatic off-shore and international gas and condensate production, primary driven by fourfold higher Syrian contribution, but also including the growing Pakistani production from Tal Block. In Syria political tensions in the first half of the year did not effect the daily operation, production and developments of blocks.

Upstream revenues increased by HUF 30.3 bn to HUF 385.1 bn in H1 2011 due to favourable changes in prices and higher sales volumes.

Upstream expenditures, excluding special items decreased by HUF 5.7 bn to HUF 223.2 bn in H1 2011 year-on-year. Royalties on Hungarian production of MOL amounted to HUF 48.8 bn, increased by 17% as a result of increased hydrocarbon prices, which also triggered an automated royalty rate increase due to Brent quotation being over USD 90/bbl in H1 2011. Mining tax and export duty paid in Russia increased by HUF 1.8

bn to HUF 25.0 bn. **Unit opex (excluding DD&A)** in H1 2011 was maintained at a very competitive 5.7 USD/boe in line with our strong efforts to increase overall efficiency.

Upstream CAPEX and investment decreased by HUF 19.8 bn to HUF 36.7 bn in the first half compared to H1 2010, primary as a result of lower Syrian spending after finishing major development in 2010. HUF 13.8 bn (38%) was dedicated to exploration with expenditures of HUF 4.1 bn in Hungary, HUF 3.6 bn in Kurdistan Region of Iraq, HUF 1.7 bn in Pakistan, HUF 1.2 bn in Russia, HUF 1.1 bn in Kazakhstan, HUF 0.8 bn in Cameroon, HUF 0.4 bn in India, and HUF 1.0 bn in other regions. Development expenditures were HUF 18.8 bn (51%), of which HUF 5.2 bn was spent in Hungary, HUF 6.8 bn in Russia. In Pakistan, MOL's share in development costs of the Manzalai and Makori fields was HUF 0.2 bn. In Kurdistan Region of Iraq our share in development of Pearl assets was HUF 0.2 bn. Total upstream CAPEX of INA in H1 2011 amounted HUF 11.3 bn, out of which majority was spent in Croatia (HUF 5.8 bn) and Syria (HUF 4.7 bn), but we also continued developments in Egypt and Angola as well. HUF 4.0 bn (11% of total) was spent primarily on upgrading the asset base of our drilling, seismic and well-logging service subsidiaries and maintenance-type projects.

Our intense exploration activity delivered continued successes in Kurdistan Region of Iraq, Pakistan and Hungary. During the first half of 2011 8 wells were tested (out of which 4 successful, 2 unsuccessful and 2 suspended), 11 additional wells were under or waiting for testing and 5 wells were under drilling at the end of the half year. In the Shaikan Block in the **Kurdistan Region of Iraq** (operated by GKP, with a 20% undiluted MOL share) the *Shaikan-3* and *Shaikan-2* appraisal wells were successfully tested in February and March with test result of 9,800 barrels of oil per day and 8,064 barrels of oil plus 400 boe gas per day, respectively. *Shaikan-4* appraisal well was spudded at the end of May, *Bekhme-1* exploratory well was spudded in March in the Akri Bijeel Block (operated by MOL, with an 80% undiluted share) and according to the plans is expected to be tested in Q3 2011. In **Pakistan**, the drilling of *Tolanj-X1* exploratory well was finished successfully in February 2011 and it has been announced as the sixth discovery of the Tal Block. Final flow rate of the well reached the 4,600 boepd gas level. Total depth of *Makori East-1* reached in H1 2011 with final test result of 8,500 boepd, which is a significant increase compare the already announced preliminary test results (5,200 boepd) in Q4 2010. The *Margala-1* exploratory well was started in Q3 2010 and was suspended after testing in January 2011. Drilling of *Halini-1* in the Pakistani Karak block (Operator: Mari Gas, 40% MOL share) started in January 2011 and is expected to be finished in Q4 2011. In **Syrian** Aphamia Block *Mudawara-3* exploration well was drilled in Q4 2010, and currently waiting for testing. In **Egypt** in the North Bahariya and in the Ras Qattara blocks one-one exploratory well was drilled. In the Surgut-7 Block in West-Siberia (**Russia**), the *Ayskaya-1* and *Atayskaya-2* wells gave promising production test results last year and test will be continued with hydrofracturing only in Q4 2011 and Q1 2012 due to the early spring warm in the area. In the Russian Matjushinskaya block an exploratory drilling (Verkhne-Laryegan-201) was drilled in Q2, the well is currently under testing. The drilling of the *Rhozkovsky U-21* appraisal well in Block Fedorovsky in **Kazakhstan** (started in October 2010) has already finished and the well is expected to be tested in Q3 2011. Drilling of the *Rhozkovsky U-22* appraisal well in the same block started in March 2011 and finished in June. The well test is expected in September. In Block HF-ONN-2001/1 in **India** (ONGC is the operator with an undiluted 35% MOL share) final depth of *Kasauli-1* was reached in July 2011 and the well was concluded as dry. In **Hungary** 3 exploratory wells were tested out of which 2 classified as discovery (*Mpi-K-1*, *Sark-2* gas producer) and 1 classified as dry (*Hatvan-É-1*). Drilling of 2 wells (*Kom-Ny-2, Tó-D-5*) was completed and these 2 wells are waiting for test. *Tófej-1* well was under testing at the end of the period. 2 wells (*Mgyán-D-1* and *Nsz-ÉK-1*) are in drilling phase. Evaluation of *Beru-4* well in Derecske basin is in progress and the well is waiting for test.

Downstream

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	Segment IFRS results (HUF bn)	H1 2010 restated	H1 2011	Ch. %
59.4	33.5	42.0	(20)	EBITDA	66.2	92.9	40
66.4	**45.4**	**42.0**	**8**	**EBITDA excl. spec. items[1]**	**66.4**	**111.7**	**68**
32.1	5.4	13.4	(60)	Operating profit/(loss) reported	9.4	37.5	300
39.1	**17.2**	**13.4**	**28**	**Operating profit/(loss) reported excl. spec. items[1]**	**9.6**	**56.3**	**489**
36.4	**16.2**	**11.8**	**37**	**o/w R&M profit/(loss) excl. spec. items**	**10.2**	**52.6**	**416**
(25.8)	(2.5)	(17.4)	(86)	Replacement modification	(35.3)	(28.3)	(20)
0.0	5.6	1.1	409	Impairment on inventories	1.1	5.6	409
(17.1)	(4.0)	19.5	n.a.	FX gain (-) / loss + on debtors and creditors	30.3	(21.1)	n.a.
(6.5)	**15.3**	**15.0**	**2**	**CCS-based R&M operating profit/(loss)[1][2]**	**6.3**	**8.8**	**40**
2.7	**1.0**	**1.6**	**(38)**	**o/w Petrochemicals profit/(loss) excl. spec. items[1]**	**(0.6)**	**3.7**	**n.a.**
16.5	**14.8**	**39.5**	**(62)**	**CAPEX and investments**	**59.4**	**31.3**	**(47)**

Q1 2011	Q2 2011	Q2 2010	Ch. %	External refined product and petrochemical sales by country (kt)	H1 2010	H1 2011	Ch. %
1,036	1,211	1,272	(5)	Hungary	2,242	2,247	0
345	424	380	12	Slovakia	732	769	5
456	490	538	(9)	Croatia	1,035	946	(9)
2,786	3,120	2,793	12	Other markets	5,366	5,906	10
4,623	**5,245**	**4,983**	**5**	**Total**	**9,375**	**9,868**	**5**

Q1 2011	Q2 2011	Q2 2010	Ch. %	External refined and petrochemical product sales by product (kt)	H1 2010	H1 2011	Ch. %
4,231	4,860	4,668	4	Total refined products	8,709	9,091	4
764	892	911	(2)	o/w Retail segment sales	1,664	1,656	0
392	385	315	22	Total petrochemical products	666	777	17
4,623	**5,245**	**4,983**	**5**	**Total refined and petrochemicals products**	**9,375**	**9,868**	**5**

[1] Profit from operations excludes the additional expense of the turnover of inventories of INA which were recognized at fair market value upon initial consolidation as opposed to the carrying amounts reflected in INA Group's separate financial statements (HUF 0.2 bn in Q1 2010), the provision for redundancy recorded at INA in Q1 2011 (HUF 1.7 bn), the crisis tax imposed by the Hungarian state on domestic energy sector recorded in Q1 and Q2 2011, respectively (HUF 5.3 bn and HUF 6.4 bn) and the HUF 5.5 bn impairment related to the treatment of gas bottles at Proplin which needed to be harmonized with the current situation in Q2 2011.
[2] Estimated Current Cost of Supply based operating profit/(loss) excluding special items, FX gain or loss on debtors and creditors and impairment on inventories in Refining and Marketing

The Downstream segment operating profit, excluding special items was HUF 17.2 bn in Q2 2011, bellow Q1 level, but outnumber Q2 2010 result. Compare to previous quarter the result was supported by CCS effect and FX gain only a limited extent. On the other hand, despite the challenging environment, **the 'clean' CCS-based operating result** (excluding special items, forex gains / loss on debtors and creditors and impairmanet on inventories) **of Refining and Marketing turned to positive and amounted to HUF 15.3 bn.** More than HUF 20 bn improvement derived primary from the positive effects of (1) higher sales volume, in line with seasonal demand, but also due to efforts to increase our presents on growing export markets and (2) lower unit cost of refining. Negative effects of (3) lower average crack spread, (4) higher own consumption cost as a result of increased crude oil quotations and (5) technical complications of Croatian refineries moderate the quarterly result.

At INA beside operational problems the very low black product crack spreads and moderate local demand were the major source of loss (HUF -11.2 bn contribution to the 'clean' CCS-based Group result). **'Clean' CCS-based operating profit of the Group excluding INA contribution was HUF 26.5 bn,** which is HUF 17.3 bn improvement compared to base period, despite the challenging environment, which underline the strengths of our complex assets.

The external conditions were characterized by 20% lower average crack spread and more than 10% higher crude oil price in Q2 2011 compare to previous quarter which kept refining margin under pressure. While gasoline crack spread increased considerably (by 39% to USD 173/t), the crack spread of diesel (which product represents the highest share from production with 43%) decreased bellow USD 100/t on quarterly average. Crack spread of bottom products, like bitumen and fuel oil decreased further, the latter reached the lowest level since 2008 with USD -266/t quarterly average. The integrated petrochemical spread decreased slightly by 8% to EUR 348/t, as polymer prices did not followed the increasing raw material quotations. While Brent-Ural differential remained flattish and amounted to USD 2.9/bbl, the price of Ural type crude oil increased further to USD 114/bbl. Strengthened HUF against USD (185 vs. 199) moderate the 'Clean CCS' profit, but the reported figure was slightly supported by its favourable tendency within the quarter.

In H1 2011 the Downstream segment operating profit, excluding special items increased from the very low basis of last year to HUF 56.3 bn. The profit increase was influenced positively by external factors, like (1) significant gain on debtors and creditors, in line with strengthening local currencies, (2) higher Brent-Ural spread and (3) better petrochemical environment. Beside these internal efforts, like (4) 5% higher sales volume and (5) more efficient operation, lower unit cost of refining also supported the result. Average crack spread decreased by 15% and crude oil price increased dramatically, thus **the 'clean' CCS-based operating profit of Refining and Marketing remained moderated and amounted to HUF 8.8 bn.** Despite significant achievements through the efficiency improvement program (OptINA2) INA downsream remained loss making (HUF -26.9 bn contribution to the 'clean' CCS-based Group result), as not just the worsening refining environment, but the technical complications of refineries deteriorated the divisional result. **'Clean' CCS-based operating profit of the Group excluding INA contribution was HUF 35.7 bn.** HUF 7.9 bn improvement in the challenging environment was supported by higher sales volume, slight improvement of white product yield and sales margin.

The external conditions in the first half of 2011 showed mixed picture which all in all favoured our reported result, but highlighted the still challenging refining environment. Compare to previous year the strengthened HUF against USD in H1 2011 (192 vs. 205) and the increasing crude quotation favoured the reported figures, through FX gain and CCS effect. On the other side average refined product crack spread decreased by 15%. The improvement of middle distillate crack spreads (diesel spread increased by 34% to USD 106/t) in line with growing industrial demand was overcompensated by the combination of slightly lower naphtha crack spreads (-14% to USD 80/t) and dramatic fall of black product crack spreads, driven by fuel oil (68% to USD -256/t) and bitumen. Gasoline crack spread remained roughly the same level with USD 148/t. The integrated petrochemical spread increased slightly, by 12% to EUR 363/t. Brent-Ural differential widened, primary due to the absent of Libyan sweet crude and averaged at USD 2.9/bbl. The Ural type crude quotation increased significantly compared to last year, by 42% to USD 108/bbl, which put high pressure on refining sector through own consumption cost.

Our total refined product and petrochemical sales increased by 5% year-on-year in H1 2011. In regional breakdown our sales were flattish in Hungary, but on our second strongest market, in Slovakia increased by 5% after significant improvement in Q2. Our diesel sales increased above market growth in both countries. However our market share remained stable in Hungary and increased in Slovakia, gasoline sales declined due to high price level. Croatian demand still suffers from slow recovery of the economy, our total sales decreased by 9%, however we maintained our market share on the motor fuel market. In line with our strategic aims we increased our presence on key growing markets of the south part of our region. In Romania we strengthened our logistics capabilities, in Serbia after repeal of import ban we started the gasoline import, while in Bosnia and Herzegovina we regained our market share by introducing new, high quality products.

Refining and Marketing

Key segmental operating data

Q1 2011	Q2 2011	Q2 2010	Ch. %	External refined product sales by product (kt)	H1 2010	H1 2011	Ch. %
935	1,112	1,015	10	Motor gasoline	1,933	2,047	6
2,107	2,346	2,272	3	Diesel	4,195	4,453	6
207	199	192	4	Heating oils	449	406	(10)
66	113	103	10	Kerosene	176	179	2
181	351	386	(9)	Bitumen	552	532	(4)
735	739	700	6	Other products	1,404	1,474	5
4,231	**4,860**	**4,668**	**4**	**Total refined products**	**8,709**	**9,091**	**4**
764	892	911	(2)	o/w Retail segment sales	1 664	1 656	0
678	674	598	13	Petrochemical feedstock transfer	1,276	1,352	6

Q1 2011	Q2 2011	Q2 2010	Ch. %	Refinery processing (kt)	H1 2010	H1 2011	Ch. %
250	274	296	(7)	Own produced crude oil	574	524	(9)
4,448	4,496	3,967	13	Imported crude oil	8,190	8,944	9
76	65	74	(12)	Condensates	147	141	(4)
821	834	826	1	Other feedstock	1,629	1,655	2
5,595	**5,669**	**5,163**	**10**	**Total refinery throughput**	**10,540**	**11,264**	**7**
262	274	272	1	Purchased and sold products	533	536	1
Q1 2011	**Q2 2011**	**Q2 2010**	**Ch. %**	**Refinery production (kt)**	**H1 2010**	**H1 2011**	**Ch. %**
990	982	860	14	Motor gasoline	1,836	1,972	7
1,985	2,225	1,983	12	Diesel	3,779	4,210	11
270	170	118	44	Heating oil	505	440	(13)
82	120	104	15	Kerosene	181	202	12
457	493	373	32	Naphtha	782	950	21
219	321	356	(10)	Bitumen	570	540	(5)
1,032	885	977	(9)	Other products	2,011	1,917	(5)
5,035	**5,196**	**4,771**	**9**	**Total**	**9,664**	**10,231**	**6**
36	31	34	(9)	Refinery loss	67	67	0
524	503	358	41	Own consumption	809	1,027	27
5,595	**5,730**	**5,163**	**11**	**Total refinery throughput**	**10,540**	**11,325**	**7**

Market consumption of motor fuels in the CEE region increased slightly (1.9%) in H1 2011 year-on-year. Diesel demand increased significantly (4.8%) in the whole region in line with improving economic conditions. Industrial consumption was supported by strengthening export activity of regional economies, while agricultural consumption increased due to favourable weather conditions. Some regulatory changes were implemented at the beginning of the year, which had mixed effects on local demand: in Hungary inauguration of commercial diesel excise tax supported the consumption, while implemented strategic stockpiling fee in Slovakia and higher excise tax in Austria moderated the demand growth. Gasoline consumption (mainly private sector) dropped by 5.6% as a consequence of still high unemployment rate and further increase of price level, caused by 36% higher gasoline quotations. **In H1 2011 our total external refined product sales increased by 4% year-on-year, driven by higher diesel, gasoline and LPG sales.**

Total refinery throughput increased by 7% to 11.3 Mt in H1 2011 year-on-year. Utilization of our most complex assets increased further (to 88% at Danube refinery and to 99% at Bratislava refinery) in line with our strong efforts to increase market presents in the region. On the other hand due to low local demand, complication during start up of new units in Rijeka and fire incident at Sisak in Q2 the utilization of Croatian refineries remained under pressure. Key units and plants of the Sisak refinery were not damaged in the incident, however the processing was stopped and the refinery is expected to come back on stream during Q4 after completing remediation and the overhaul planned for Q4 which has now been moved partially forward to Q3.

R&M CAPEX (excluding Retail) was HUF 26.2 bn in H1 2011, lower by HUF 23.8 bn than H1 2010 as spending related to the already finalized Phase-1 of Rijeka refinery modernization was significantly lower. The revamp of the existing Thermal Power Plant in Bratislava refinery (where the project beside environmental compliances aims to handle all the fuel oil output of the refinery and produce sufficient steam and electricity to the refinery) represents more than 40% of total CAPEX of the period.

Retail

Key segmental operating data

Q1 2011	Q2 2011	Q2 2010	Ch. %	Refined product retail sales (kt)	H1 2010	H1 2011	Ch. %
260.1	303.0	325.1	(6.8)	Motor gasoline	596.2	563.1	(5.6)
482.9	565.6	554.1	2.1	Gas and heating oils	1,010.4	1,048.5	3.8
20.9	23.3	31.0	(24.8)	Other products	57.0	44.2	(22.5)
763.9	**891.9**	**910.2**	**(2.0)**	**Total oil product retail sales**	**1,663.6**	**1,655.8**	**(0.5)**

Total retail sales volume (incl. LPG and lubricant volume) decreased by 0.5% to 1,656 kt in H1 2011 compared to H1 2010. Stagnating, dropping gasoline and increasing diesel consumption and sales was experienced on regional retail market. The Group operated **1,631 filling stations** as of 30 June 2011 (please see Appendix IV for further details).

In Hungary our retail fuel sales volume decreased by 0.4% in H1 2011 compared to H1 2010, our market shares slightly increased. Gasoline and LPG sales decreased by 6.0% and 0.2%, respectively due to low market demand in a high retail price environment. This was partly compensated by increased (by 3.7%) diesel sales, in line with export driven economic growth. The ratio of fleet card sales to our total fuel sales increased to 41.9% in H1 2011 from 38.9% in H1 2010, in line with higher portion of diesel sales (transporting). MOL Plc. operated 364 filling stations as of 30 June 2011.

In Slovakia, despite the legislation changes from 1st January 2011 (increase of the VAT base rate, new fee to State Material Reserves of SR, etc.) with substantial impact on retail fuel prices, total retail fuel sales volume increased by 1.5% year-on-year, the market share according to SAPPO (Slovakian Oil Association) increased to 36.5% in 1-5. 2011. The increase is attributable to the effort of the business to strengthen customer loyalty and to gain new customers. The proportion of fuel card sales of total fuel sales increased to 28.9% in H1 2011. In June 2011 the closing number of filling stations in operation was 209.

In Croatia, the Group's retail sales volume decreased by 2.0% in H1 2011 year-on-year. Tifon's performance was on base level and amounted to 68 kt, while the sales volume of INA decreased by 2.3% to 502 kt in H1 2011 (vs. 513 kt in H1 2010). As of 30 June 2011 Tifon operated 43 petrol stations, while INA Group operated 417 petrol stations in Croatia.

In Romania, fuel sales volumes slightly increased by 1.1% in H1 2011 as compared to the same period of the previous year. Fuel card sales volumes started to recover in 2011, increasing by 2.0% in H1 2011 vs. H1 2010. MOL's market share according to ARP (Romanian Oil Association) reached almost 12% at the end of H1 2011. The shop sales revenue went up 10.2% (RON terms) in H1 2011 vs. same period of 2010 H1, as a result of an intensive promotions. At the end of H1 2011 MOL Romania operated a network of 127 filling stations.

In H1 2011 **Retail CAPEX** was HUF 3.7 bn, including HUF 0.5 bn spending on network development in Hungary and INA Group's HUF 1.5 bn, MOL Romania's HUF 1.1 bn and Energopetrol's HUF 0.2 bn contribution. In Croatia retail network development strategy focusing on new visual identity and improvements in the quality of services has been launched. INA plans to modernize around 50 petrol stations by the end of 2011 out of which reconstruction and refurbishing of 13 petrol stations has been completed by the end of H1 2011.

Petrochemicals

Key segmental operating data

Q1 2011	Q2 2011	Q2 2010	Ch. %	Petrochemical sales by product group (kt)	H1 2010	H1 2011	Ch. %
86	88	64	37	Olefin products	123	174	41
306	297	251	18	Polymer products	543	603	11
173	170	159	7	Olefin products sales within MOL Group	340	343	1
Q1 2011	**Q2 2011**	**Q2 2010**	**Ch. %**	**Petrochemical production (kt)**	**H1 2010**	**H1 2011**	**Ch. %**
210	211	183	15	Ethylene	394	421	7
108	107	91	18	Propylene	196	215	10
211	197	183	8	Other products	393	408	4
529	**515**	**457**	**13**	**Total olefin**	**983**	**1 044**	**6**
65	62	50	24	LDPE	105	127	21
112	104	94	11	HDPE	208	216	4
141	138	105	31	PP	236	279	18
318	**304**	**249**	**22**	**Total polymers**	**549**	**622**	**13**

In Q2 2011, the demand of polymer products decreased compared to the previous quarter mainly due to the fact that the polymer prices increased to a historic level. The producers, in line with their lower expected prices, decreased their inventory level.

In Q2 2011, the olefin and polymer production dropped by 3% and 4%, respectively compared to the previous quarter due to decreasing polymer demand caused by the high polymer prices. Within the olefin production, the proportion of monomers increased by 2 percent point, which is favorable for the polymer production, while the purchased propylene volume was lower at SPC. The **olefin sales** increased by 2% compared to the previous quarter. Within this, the ethylene volume sold to BorsodChem increased by 8.8 kt, which has an important role. The **polymer sales** volume decreased by 3%. In Q2 2011, the closing level of polymer inventory in June increased as production volumes were higher than sales due to depressed polymer demand. Stock turnaround remained on a favorable level, however.

In Q2 2011, the olefin and polymer **production** volumes increased by 13% and 22%, respectively while the olefin and polymer **sales** volumes increased by 37% and 18%, respectively compared to the same quarter of the previous year due to the planned turnaround works in the Olefin-2 plant and some polymer plants of TVK and the cleaning works at other plants in SPC, in Q2 2010.

In H1 2011, the olefin and polymer **production** volumes increased by 6% and 13% respectively compared to the same period of the previous year due to the above mentioned planned turnaround. In the polymer sales, the HDPE sales decreased by 3 percent point due to the unfavorable market environment. In H1 2011, the olefin and polymer **sales** volumes increased by 41% and 11%, respectively vs H1 2010. The ethylene volume sold to BorsodChem increased by 28%, (14.5 kt). Compared to the base period, the ethylene volume sold by SPC decreased by 66% (12.5 kt) mainly as a consequence that SPC did not sell ethylene to ETOX unit (which plant of Slovnaft was closed last October). This was almost compensated by the higher capacity utilization of LDPE units. At the end of the period, the closing level of polymer inventory increased compared to the base period as well as to the end of 2010.

In H1 2011 CAPEX was HUF 1.4 bn, lower by HUF 4.9 bn. The main reason behind the decrease in expenditures is that there were a turnaround in Q2 2010 at TVK, which investments was activated at the end of the second quarter and the finalization of the SPC ECOVision project in the first half of 2010.

Gas Midstream

The structural modification, influencing the former Gas and Power segment, called **Gas Midstream** from Q1 2011. Energy generation was transferred to the Downstream segment, regarding the determinant internal sales within the MOL Group to the Downstream segment, while INA' gas wholesale trading subsidiary has been also reclassified to this segment.

Gas Midstream segment's operating profit, excluding special items accounted for HUF 33.1 bn. The most important profit contributor remained the FGSZ Ltd, however the temporary freeze of gas tariffs by 1 July 2010 affected negatively the H1 2011 result of gas transmission business.

FGSZ Zrt.

Q1 2011	Q2 2011	Q2 2010	Ch. %	Non consolidated IFRS result (HUF bn) [1]	H1 2010	H1 2011	Ch. %
16.9	13.5	14.6	(8)	EBITDA	36.2	30.4	(16)
12.8	9.5	10.7	(11)	Operating profit/(loss)	28.3	22.3	(21)
0.0	0.7	20.2	(97)	CAPEX and investments	52.6	0.7	(99)

[1] Excluding segment level consolidation effects (of which the most significant item is the depreciation on eliminated internal profit of PP&E).

Q1 2011	Q2 2011	Q2 2010	Ch. %	Transmission volumes (m cm) [3]	H1 2010	H1 2011	Ch. %
4,550	2,497	2,649	(6)	Hungarian natural gas transmission [2]	7,655	7,046	(8)
903	345	390	(11)	Natural gas transit [3]	1,230	1,249	2
Q1 2011	**Q2 2011**	**Q2 2010**	**Ch. %**	**Transmission fee (HUF/cm) [4]**	**H1 2010**	**H1 2011**	**Ch. %**
4.00	6.23	6.72	(7)	Hungarian natural gas transmission fee	4.99	4.70	(6)

[2] Including transmission volumes to the gas storages
[3] Transit transmission: traditional transit + Romanian transit
[4] The change in unit domestic transmission fee is significantly influenced by the dominant ratio of capacity fee within the transmission revenue. The capacity fee does not depend on the transmission volume.

In H1 2011 **operating profit of FGSZ Ltd.** was HUF 22.3 bn which is a HUF 6.0 bn (21%) decline compared to the base period. The decrease was mainly due to the fact that while in the base period determination of natural gas transmission tariffs and revenues were carried out in accordance with the regulation, in H1 2011 effect of tariff frozen in 1st July 2010 prevailed.

In H1 2011 **realized revenue on domestic transmission** was HUF 33.8 bn which is lower by HUF 4.4 bn (12%) compared to the base period due to tariffs frozen on the level of H2 2010. Amount of transported natural gas shows a slight decline in H1 2011 partly due to milder weather conditions in winter, on the other hand filling of storages are carried out in different times in 2011.

In H1 2011 **revenue on transit transmission** was HUF 8.6. bn which means a slight HUF 0.2 bn (2%) decrease compared to the base period because transit transmission to the southwards decreased by 9%. In H1 2011 HUF 0.5 bn revenue can be detected on the basis of capacity booked on the Hungarian- Romanian interconnector .

Operating costs were higher by HUF 1.9 bn than the base value due to increase on energy costs, primarily because of increased natural gas losses on the transportation system, while other operating costs are on the base level.

MMBF Zrt.

Operating profit, excluding special items of MMBF Plc. was HUF 6.5 bn in H1 2011, which is 50% higher than last year result if we exclude HUF 8.7 bn contribution of gas sales from Szőreg-1 field in H1 2010. The company accounted capacity booking fee on the 1.2 bn cm strategic gas storage and on 700 mcm commercial gas storage for the full period in H1 2011. In addition to storage activity, MMBF has sold the oil and condensate production of Szőreg-1 field with profit.

Financial overview

Changes in accounting policies and estimates, resegmentation

Obligatory changes in IFRS, effective from 1 January 2011, were adopted by the Group for the purposes of this Report. None of these has resulted in a significant impact on the financial statements.

Starting from 1 January 2011, the Group has revised its operational segments to reflect changes in organizational responsibilities as well as the approach of the Group's chief operating decision making bodies with respect to resource allocation and performance analysis. As a consequence,

- Petrochemical segment ceased to report separately and is included in Downstream
- Heating operations have been reclassified to Downstream from former Gas and Power
- INA' gas wholesale trading subsidiary has been reclassified to Gas Midstream from Upstream

As a result of this resegmentation, the Group has the following three reporting segments: Upstream, Downstream, Gas Midstream. Comparative periods have been restated accordingly.

Income Statement

Group net sales revenues increased by 28% to HUF 2,475.6 bn in H1 2011 compared to HUF 1,930.0 bn in H1 2010, primarily reflecting higher commodity price quotations, resulting in higher average sales prices.

Other operating income increased by 90% to HUF 35.0 bn in H1 2011 compared to HUF 18.5 bn in H1 2010. This increase is mainly due to the net foreign exchange gain on trade receivables and payables in amount of HUF 19.6 bn in H1 2011, which was a net foreign exchange loss in comparative period.

The cost of raw materials and consumables used increased by 36% in accordance with the rising sales. In H1 2011, raw material costs increased by 42%, mainly as result of the higher value of purchased crude oil due to the higher prices (HUF 324.4 bn including the effect of FX rate change) and higher volumes (HUF 101.8 bn) compared to H1 2010. The cost of goods sold increased by 17% to HUF 248.2 bn, mainly due to the increased cost of oil industry goods sold, due to higher prices. The value of material-type services used decreased by 4% to HUF 83.9 bn.

Other operating expenses decreased by 19% to HUF 177.4 bn in H1 2011 compared to HUF 219.8 bn in H1 2010. The higher value in the comparative period reflects the combined effect of the provision made in Q2 2010 for the recovery of mining royalty rendered by the EU Commission (HUF 35.8 bn) and the net foreign exchange loss of HUF 29.4 bn recognized in 2010 H1 (compared to the net foreign exchange gain of HUF 19.6 bn in H1 2011). The decrease has been partly offset by the crisis tax of HUF 13.3 bn reflecting the amount payable by MOL Group with respect to H1 2011 (there was no such item in the comparative period as the temporary crisis tax on the domestic energy sector until 2012 was approved by Hungarian Parliament on October 18, 2010).

Personnel expenses decreased by 1% to HUF 126.9 bn in H1 2011, mainly due to the lower average headcount and the change in managerial incentives. See Appendix V. for headcount data at MOL Group.

Of the production costs incurred in H1 2011 HUF 122.7 bn is attributable to the increase in the **level of finished goods and work in progress** compared to the increase of HUF 91.3 bn in H1 2010.

A net financial gain of HUF 18.4 bn was recorded in H1 2011 (compared to the net financial expense of HUF 101.3 bn in H1 2010). Interest payable was HUF 19.2 bn in H1 2011 (HUF 13.0 bn in H1 2010) while interest received amounted to HUF 4.2 bn in H1 2011 (HUF 2.7 bn in H1 2010). In H1 2011 a net foreign exchange gain of HUF 44.7 bn was recognised, compared to the loss of HUF 93.1 bn in H1 2010. The fair valuation difference on the conversion option embedded in the capital security issued in the monetization of treasury shares by Magnolia Finance Ltd. was HUF 5.0 bn decrease of liability (compared to the unrealized loss of HUF 0.3 bn in H1 2010). In addition, a loss of HUF 12.9 bn has been incurred on the fair valuation of the call option on MOL shares owned by CEZ.

Income from associates amounted to HUF 5.8 bn in H1 2011 (main contributors were MOL Energiakereskedő Zrt. and MOL's 10% share from the operations of Pearl Petroleum Company).

Income tax expense decreased by HUF 6.2 bn from the comparative period to HUF 32.4 bn in H1 2011. The subsequent impact of MOL share transactions and certain options attached to shares held by third parties is treated differently for IFRS and tax purposes and resulted in a HUF 1.7 bn decrease in our tax expense. The current income tax expense was the result of the contribution from MOL parent company of HUF 3.8 bn (19% corporate income tax, 5% effective 'Robin Hood tax' and 2% local trade tax), INA Group of HUF 22.5 bn (20% corporate income tax) and FGSZ Zrt. of HUF 2.8 bn.

Balance sheet

Total assets amounted to HUF 4,548.6 bn as of the end of H1 2011, representing an increase of 1% since 31 December 2010.

Within total assets, **property, plant and equipment** decreased by 7% to HUF 2,501.8 bn mainly due to the relative strengthening of HUF against EUR and USD.

Inventories increased by 30% to HUF 545.5 bn mainly due to the higher costs of refined products inventory driven by the rising crude oil prices and the accumulation of refined products inventory prior to the driving season. **Trade receivables** also increased by 10% to HUF 510.9 bn.

Please, refer to Note 9 from the Interim Consolidated Financial Statements for information on **provisions**.

Other non-current liabilities were HUF 43.3 bn, the decrease of which derived from the fair valuation of the derivative liability resulting from the conversion option. The derivative liability amounted to HUF 20.0 bn as of 30 June 2011.

Long-term debt (including the current portion which mainly reflects revolving prepayments of non-current borrowing made by MOL until the preparation of the financial statements) decreased by 11% compared to 2010 year-end mainly as a consequence of relative strengthening of HUF vs. EUR and USD. As at 30 June 2011, 63.9% of the MOL Group's total debt was Euro-denominated, 33.0% was in USD and 3.1% in other currencies. At the end of H1 2011, MOL's gearing (net debt divided by net debt plus shareholders' equity including non-controlling interests) was 27.7%, a major decrease compared to 31.3% at the end of 2010.

Holders of the capital securities of Magnolia received a coupon payment of HUF 3.3 bn. Coupon payments have been recorded directly against equity attributable to **non-controlling interests**.

Cash flow

Operating cash inflow in H1 2011 was HUF 106.2 bn, compared to HUF 176.9 bn cash inflow in H1 2010. Operating cash flow before movements in working capital increased by 27%. Changes in working capital position decreased funds by HUF 212.0 bn, as a result of an increase in inventories, trade receivables, other current assets, and other payables (of HUF 152.6 bn, HUF 57.6 bn, HUF 39.2 bn and HUF 52.9 bn respectively) and a decrease in trade payables of HUF 15.5 bn. Income taxes paid amounted to HUF 21.6 bn.

Net cash used in investing activities was HUF 85.3 bn in H1 2011, compared to net cash used of HUF 136.4 bn in H1 2010. The cash outflow of the current period reflects the CAPEX and cash paid for additional investment in INA d.d., while the comparative period reflects the CAPEX mainly on the expansion of the Hungarian pipeline capacity.

Net financing cash inflow was HUF 40.2 bn, primarily as a result of the net draw down of long-term and short-term debt.

Main risks of MOL Group

Group Risk Management identifies and measures the key risk drivers and quantifies their impact on the Group's performance. MOL uses a bottom-up model for monitoring the key exposures. According to the model, the diesel crack spread, the dated Brent price and gasoline crack spread have the biggest contribution to the cash-flow volatility. The cash-flow volatility implied by the FX rates and the price risk of key refined and petrochemical products are also significant. The top 10 risk drivers explain cca 88% of the total cash-flow volatility.

Commodity Price Risk Management: MOL as an integrated oil and gas company is exposed to commodity price risk on both the purchasing side and the sales side. The main commodity risks stem from long crude oil position to the extent of its group level production, long refinery margin position to the extent of the refined product volumes and long petrochemical margin position.

Foreign Currency Risk Management: MOL's oil business constitutes a long USD cash flow exposure, while its petrochemical business adds a long EUR cash flow position. At group level, the Group has a net long USD, long EUR and net short HUF, RUB and HRK operating cash flow position.

Besides these MOL is exposed to the following risks partially deriving from its operation in the oil and gas industry partially related to general business operation:

- MOL is subject to general political, economic, financial and legal risks.
- MOL is subject to general operational risks which may result in losses and additional expenditures.
- Development and exploration projects of MOL involve many uncertainties and operating risks that may prevent it from realising profits and may cause substantial losses.
- Each of the licences could be suspended, terminated or not renewed by the relevant licensing authorities if the MOL is deemed to have violated its terms or repeatedly violated the applicable requirements of law.
- Estimates of MOL's crude oil and natural gas reserves are subject to uncertainties.
- Although MOL purchases crude oil on the basis of long-term and annual agreements from the resources of different producers, the crude oil supply may induce temporary supply uncertainty.
- MOL Group cannot guarantee that the ultimate outcome of current and future legal proceedings or regulatory proceedings and any consequential legal proceedings or regulatory proceedings will not have a material adverse effect on its results of operations or financial condition.
- MOL may be subject to significant environmental liabilities.

Outlook on strategic horizon

MOL continuously adjusts its operation to the external environment and became **more international, more efficient and more upstream driven** in the recent years. In 2010 approximately half of the Group EBITDA was generated outside Hungary, and two-third of total EBITDA was achieved at the Upstream division. Downstream integration strengthened in order to reinforce our regional stronghold position. WE expect the continuation of these tendencies. We aim to exploit the significant organic growth potential of our integrated portfolio by operating the existing asset base on maximum efficiency which integration of operation with INA remains the main driver.

In upstream the main objective for the forthcoming years will be to maximize the value of our existing portfolio, which is a solid basis for further growth with sizeable production in 7 countries and exploration potential in 11 countries. The focus will be on completing high return/early cash generative appraisal and development projects in Syria, CEE, Pakistan, Kurdistan Region of Iraq and Russia to increase production levels, contributing significantly to Group-level EBITDA, growth. Finally, we are carrying out extensive and intensifying exploration activity to further increase our reserve base and create the basis for further production growth beyond 2013.

Regarding the downstream business MOL Group's main goal is to reinforce its regional stronghold position by focusing on market driven developments and efficiency improvement thus exploiting the gradually improving environment. The Group aim to elevate Rijeka refinery to similar levels represented by our key refinery assets.

In addition, we will focus to extend our well-recognised efficiency to the whole Group. In Upstream the focus will remain on Croatian onshore areas where the targeted USD 50 mn EBITDA improvement was already delivered in 2010 while in Downstream we target to reach USD 280 mn annual EBITDA improvement from 2013 versus 2009, major part of which is coming from harmonising the operation of 5 refineries and 2 petrochemical units under one integrated supply chain management system and improved energy management and maintenance processes.

MOL Hungarian Oil and Gas Plc. and Subsidiaries

Unaudited interim condensed consolidated financial statements

30 June 2011

INTERIM CONSOLIDATED INCOME STATEMENTS FOR THE MOL GROUP PREPARED IN ACCORDANCE WITH IFRS FOR THE PERIOD ENDED 30 JUNE 2011 Unaudited figures (in HUF million)

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %		H1 2010 restated	H1 2011	Ch. %
1,177,212	1,298,386	1,053,847	23	Net revenue	1,929,987	2,475,598	28
24,509	10,492	7,806	34	Other operating income	18,462	35,001	90
1,201,721	**1,308,878**	**1,061,653**	**23**	**Total operating revenues**	**1,948,449**	**2,510,599**	**29**
817,471	862,482	609,102	42	Raw material costs	1,182,790	1,679,953	42
39,441	44,423	49,913	(11)	Value of material-type services used	87,762	83,864	(4)
131,667	116,530	102,381	14	Cost of goods purchased for resale	212,411	248,197	17
988,579	*1,023,435*	*761,396*	34	*Raw material and consumables used*	*1,482,963*	*2,012,014*	36
65,202	61,649	66,860	(8)	Personnel expenses	128,579	126,851	(1)
67,520	76,830	64,417	19	Depreciation, depletion, amortisation and impairment	135,103	144,350	7
91,882	85,563	142,233	(40)	Other operating expenses	219,844	177,445	(19)
(115,832)	(6,834)	(3,984)	72	Change in inventory of finished goods & work in progress	(91,258)	(122,666)	34
(4,757)	(10,204)	(15,430)	(34)	Work performed by the enterprise and capitalised	(21,055)	(14,961)	(29)
1,092,594	**1,230,439**	**1,015,492**	**21**	**Total operating expenses**	**1,854,176**	**2,323,033**	**25**
109,127	**78,439**	**46,161**	**70**	**Profit from operation**	**94,273**	**187,566**	**99**
1,687	2,508	1,548	62	Interest received	2,743	4,195	53
35	2,420	411	489	Dividends received	494	2,455	397
(9,742)	14,788	3,721	297	Fair valuation difference of conversion option	(338)	5,046	n.a.
53,577	(1,385)	9,085	n.a.	Exchange gains and other financial income	15,075	52,192	246
45,557	**18,331**	**14,765**	**24**	***Financial income***	**17,974**	**63,888**	**255**
9,102	10,127	8,341	21	Interest on borrowings	12,997	19,229	48
2,983	2,949	4,124	(28)	Interest on provisions	8,800	5,932	(33)
4,825	15,509	79,840	(81)	Exchange losses and other financial expenses	97,482	20,334	(79)
16,910	**28,585**	**92,305**	**(69)**	***Financial expense***	**119,279**	**45,495**	**-62**
(28,647)	**10,254**	**77,540**	**(87)**	**Total financial expense/(gain), net**	**101,305**	**(18,393)**	**n.a.**
2,945	2,863	1,710	67	Income from associates	4,535	5,808	28
140,719	**71,048**	**(29,669)**	**n.a.**	**Profit before tax**	**-2,497**	**211,767**	**n.a.**
27,806	4,552	22,931	(80)	Income tax expense	38,552	32,358	(16)
112,913	**66,496**	**(52,600)**	**n.a.**	**PROFIT FOR THE PERIOD**	**(41,049)**	**179,409**	**n.a.**
92,663	53,968	(43,226)	n.a.	Attributable to: Equity holders of the parent	(24,215)	146,631	n.a.
20,250	12,528	(9,374)	n.a.	Non-controlling interests	(16,834)	32,778	n.a.
1,076	**618**	**(512)**	**n.a.**	**Basic earnings per share attributable to ordinary equity holders of the parent (HUF)**	**(287)**	**1,691**	**n.a.**
1,076	**420**	**(519)**	**n.a.**	**Diluted earnings per share attributable to ordinary equity holders of the parent (HUF)** [1]	**(287)**	**1,527**	**n.a.**

[1] Diluted earnings per share is calculated considering the potentially dilutive effect of the conversion option embedded in the Perpetual Exchangeable Capital Securities in the number of outstanding shares and by excluding the fair valuation difference of the conversion option from the net income attributable to equity holders of the parent.

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE MOL GROUP
PREPARED IN ACCORDANCE WITH IFRS
FOR THE PERIOD ENDED 30 JUNE 2011
Unaudited figures (in HUF million)

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %		H1 2010 restated	H1 2011	Ch. %
112,913	**66,496**	**(52,600)**	**n.a.**	**Profit for the period**	**(41,049)**	**179,409**	**n.a.**
				Other comprehensive income			
(80,194)	(21,524)	126,627	n.a.	Exchange differences on translating foreign operations	116,761	(101,718)	n.a.
334	(212)	(6,724)	(97)	Available-for-sale financial assets, net of deferred tax	(3,071)	122	n.a.
478	182	(2,043)	n.a.	Cash-flow hedges, net of deferred tax	(3,507)	660	n.a.
(1,634)	(8,297)	13,545	n.a.	Share of other comprehensive income of associates	17,067	(9,931)	n.a.
(81,016)	**(29,851)**	**131,405**	**n.a.**	***Other comprehensive income for the period, net of tax***	**127,250**	**(110,867)**	**n.a.**
31,897	**36,645**	**78,805**	**(53)**	**Total comprehensive income for the period**	**86,201**	**68,542**	**(20)**
				Attributable to:			
32,406	38,220	52,254	(27)	Equity holders of the parent	72,339	70,625	(2)
(509)	(1,574)	26,551	n.a.	Non-controlling interest	13,862	(2,083)	n.a.

INTERIM CONSOLIDATED BALANCE SHEETS FOR THE MOL GROUP PREPARED IN ACCORDANCE WITH IFRS AS AT 30 JUNE 2010

Unaudited figures (in HUF million)

31 December 2010 restated		30 June 2010 restated	30 June 2011	Change %
	Assets			
	Non-current assets			
318,158	Intangible assets	392,440	304,094	(23)
2,676,262	Property, plant and equipment	2,702,642	2,501,831	(7)
73,004	Investments in associated companies	79,944	70,883	(11)
21,501	Available-for-sale investments	17,862	20,113	13
12,682	Deferred tax asset	30,592	13,181	(57)
42,104	Other non-current assets	43,550	38,214	(12)
3,143,711	**Total non-current assets**	**3,267,030**	**2,948,316**	**(10)**
	Current assets			
418,061	Inventories	486,843	545,471	12
463,672	Trade receivables, net	526,222	510,901	(3)
-	Held-for-trading financial assets	-	-	-
141,508	Other current assets	135,581	173,013	28
5,611	Prepaid taxes	6,727	5,657	(16)
313,166	Cash and cash equivalents	309,939	365,257	18
-	Assets classified as held for sale	-	-	-
1,342,018	**Total current assets**	**1,465,312**	**1,600,299**	**9**
4,485,729	**Total assets**	**4,732,342**	**4,548,615**	**(4)**
	Equity and Liabilities			
	Shareholders' equity			
79,202	Share capital[1]	79,202	79,202	-
1,251,910	Reserves	1,306,286	1,270,049	(3)
103,958	Net income attributable to equity holders of the parent	(24,215)	146,631	n.a.
1,435,070	**Equity attributable to equity holders of the parent**	**1,361,273**	**1,495,882**	**10**
539,407	Non-controlling interest	545,723	508,271	(7)
1,974,477	**Total equity**	**1,906,996**	**2,004,153**	**5**
	Non-current liabilities			
947,910	Long-term debt, net of current portion	1,029,245	752,837	(27)
280,535	Provisions	292,624	298,790	2
118,312	Deferred tax liability	127,098	110,954	(13)
46,110	Other non-current liabilities	40,266	43,335	8
1,392,867	**Total non-current liabilities**	**1,489,233**	**1,205,916**	**(19)**
	Current liabilities			
800,958	Trade and other payables	958,423	879,548	(8)
10,672	Current taxes payable	31,391	24,373	(22)
43,842	Provisions	73,718	38,579	(48)
160,863	Short-term debt	225,358	215,297	(4)
102,050	Current portion of long-term debt	47,223	180,749	283
-	Liabilities directly associated with assets classified as held for sale	-	-	-
1,118,385	**Total current liabilities**	**1,336,113**	**1,338,546**	**-**
4,485,729	**Total equity and liabilities**	**4,732,342**	**4,548,615**	**(4)**

[1] Compared to HAS, registered share capital in IFRS does not include issued MOL shares owned by ING (treated as a financial liability due to the connecting option structure) or lent to third parties and is decreased by the face value of treasury shares and shares owned by Magnolia.

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE MOL GROUP PREPARED IN ACCORDANCE WITH IFRS FOR THE PERIOD ENDED 30 JUNE 2011 - Unaudited figures (in HUF million)

	Share capital	Share premium	Fair valuation reserve	Translation reserve	Equity component of debt and difference in buy-back prices	Retained earnings	Total reserves	Profit for the year attributable to equity holders of the parent	Equity attributable to equity holders of the parent	Non-controlling interest	Total equity
Opening balance 1 January 2010	79,202	(325,669)	8,347	111,209	(8,074)	1,333,932	1,119,745	95,058	1,294,005	535,647	1,829,652
Retained profit for the period	-	-	-	-	-	-	-	(24,215)	(24,215)	(16,834)	(41,049)
Other comprehensive income for the period, net of tax	-	-	(6,578)	103,132	-	-	96,554	-	96,554	30,696	127,250
Total comprehensive income for the period	-	-	(6,578)	103,132	-	-	96,554	(24,215)	72,339	13,862	86,201
Transfer to reserves of retained profit for the previous year	-	-	-	-	-	95,058	95,058	(95,058)	-	-	-
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	(3,786)	(3,786)
Net change in balance of treasury shares held, net of tax	-	-	-	-	-	(5,071)	(5,071)	-	(5,071)	-	(5,071)
Closing balance 30 June 2010 - Restated	79,202	(325,669)	1,769	214,341	(8,074)	1,423,919	1,306,286	(24,215)	1,361,273	545,723	1,906,996
Opening balance 1 January 2011 - Restated	79,202	(325,669)	7,534	153,663	(8,074)	1,424,456	1,251,910	103,958	1,435,070	539,407	1,974,477
Retained profit for the period	-	-	-	-	-	-	-	146,631	146,631	32,778	179,409
Other comprehensive income for the period, net of tax	-	-	782	(76,788)	-	-	(76,006)	-	(76,006)	(34,861)	(110,867)
Total comprehensive income for the period	-	-	782	(76,788)	-	-	(76,006)	146,631	70,625	(2,083)	68,542
Transfer to reserves of retained profit for the previous year	-	-	-	-	-	103,958	103,958	(103,958)	-	-	-
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	(13,313)	(13,313)
Net change in balance of treasury shares held, net of tax	-	-	-	-	-	(668)	(668)	-	(668)	-	(668)
Transactions with non-controlling interests	-	-	-	-	-	(9,145)	(9,145)	-	(9,145)	(15,740)	(24,885)
Closing balance 30 June 2011	79,202	(325,669)	8,316	76,875	(8,074)	1,518,601	1,270,049	146,631	1,495,882	508,271	2,004,153

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE MOL GROUP PREPARED IN ACCORDANCE WITH IFRS FOR THE PERIOD ENDED 30 June 2011
Unaudited figures (in HUF million)

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %		H1 2010 restated	H1 2011	Ch. %
140,719	71,048	(29,669)	n.a.	**Profit before tax**	(2,497)	211,767	n.a.
				Adjustments to reconcile profit before tax to net cash provided			
67,520	76,830	64,417	19	Depreciation, depletion, amortisation and impairment	135,103	144,350	7
570	10,061	3,405	195	Write-off / (reversal of write-off) of inventories	1,680	10,631	533
10,460	(6,212)	46,378	n.a.	Increase / (decrease) in provisions	47,944	4,248	(91)
(2,950)	(876)	(646)	36	Net (gain) / loss on sale of non-current assets	(1,965)	(3,826)	95
557	2,699	(3,453)	n.a.	Write-off / (reversal of write-off) of receivables	(5,286)	3,256	n.a.
(2,354)	2,538	(349)	n.a.	Unrealised foreign exchange (gain) / loss on trade receivables	3,357	184	(95)
-	-	-	n.a.	Net gain on sale of subsidiaries	-	-	n.a.
(1,687)	(2,508)	(1,548)	62	Interest income	(2,743)	(4,195)	53
9,102	10,127	8,341	21	Interest on borrowings	12,997	19,229	48
(39,193)	(5,530)	75,775	n.a.	Net foreign exchange (gain) / loss excluding foreign exchange difference on trade receivables and trade payables	93,076	(44,723)	n.a.
9,742	(14,788)	(3,721)	297	Fair valuation difference of conversion option	338	(5,046)	n.a.
(9,594)	20,004	(5,430)	n.a.	Other financial (gain) / loss, net	(11,163)	10,410	n.a.
(2,945)	(2,863)	(1,710)	67	Share of net profit of associates	(4,535)	(5,808)	28
(1,717)	1,063	832	28	Other non cash item	1,500	(654)	n.a.
178,230	**161,593**	**152,622**	**6**	**Operating cash flow before changes in working capital**	**267,806**	**339,823**	**27**
(155,309)	2,697	(26,018)	n.a.	(Increase) / decrease in inventories	(121,279)	(152,612)	26
(49,961)	(7,648)	(29,508)	(74)	(Increase) / decrease in trade receivables	(61,221)	(57,609)	(6)
(51,849)	12,694	15,105	(16)	(Increase) / decrease in other current assets	(3,065)	(39,155)	1,177
(14,318)	(1,195)	167,180	n.a.	Increase / (decrease) in trade payables	80,716	(15,513)	n.a.
76,619	(23,734)	(5,404)	339	Increase / (decrease) in other payables	21,385	52,885	147
(9,411)	(12,234)	2,169	n.a.	Income taxes paid	(7,419)	(21,645)	192
(25,999)	**132,173**	**276,146**	**(52)**	**Net cash provided by / (used in) operating activities**	**176,923**	**106,174**	**(40)**
(40,329)	(34,645)	(74,365)	(53)	Capital expenditures, exploration and development costs	(159,945)	(74,974)	(53)
3,160	1,202	915	31	Proceeds from disposals of property, plant and equipment	2,651	4,362	65
(3,885)	(21,429)	(277)	7,636	Acquisition of subsidiaries and non-controlling interests, net	(277)	(25,314)	9,039
(795)	(425)	(670)	(37)	Acquisition of associated companies and other investments	(1,202)	(1,220)	1
-	805	-	n.a.	Net cash inflow / (outflow) on sales on subsidiary undertakings	-	805	n.a.
-	-	-	n.a.	Proceeds from disposal of associated companies and other	350	-	n.a.
-	(431)	15,599	n.a.	Changes in loans given and long-term bank deposits	13,948	(431)	n.a.
4	205	(26)	n.a.	Changes in short-term investments	(26)	209	n.a.
2,467	3,768	5,853	(36)	Interest received and other financial income	7,395	6,235	(16)
35	4,970	635	683	Dividends received	739	5,005	577
(39,343)	**(45,980)**	**(52,336)**	**(12)**	**Net cash (used in) / provided by investing activities**	**(136,367)**	**(85,323)**	**(37)**
-	11,000	195,878	(94)	Long-term notes	195,878	11,000	(94)
8,411	47,754	74,853	(36)	Long-term debt drawn down	240,491	56,165	(77)
(79,423)	(43,415)	(221,053)	(80)	Repayments of long-term debt	(379,775)	(122,838)	(68)
(95)	85	80	6	Changes in other long-term liabilities	(33)	(10)	(70)
171,825	(23,678)	(110,407)	(79)	Changes in short-term debt	33,448	148,147	343
(21,052)	(17,975)	(8,525)	111	Interest paid and other financial costs	(18,727)	(39,027)	108
(1)	(3)	-	n.a.	Dividends paid to shareholders	(4)	(4)	-
(1,648)	(11,611)	(2,228)	421	Dividends paid to non-controlling interest	(3,829)	(13,259)	246
-	-	-	n.a.	Contribution of non-controlling shareholders	-	-	n.a.
-	-	-	n.a.	Sale of treasury shares	-	-	n.a.
-	-	-	n.a.	Repurchase of treasury shares	-	-	n.a.
78,017	**(37,843)**	**(71,402)**	**(47)**	**Net cash (used in) / provided by financing activities**	**67,449**	**40,174**	**(40)**

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %		H1 2010 restated	H1 2011	Ch. %
12,675	**48,350**	**152,408**	**(68)**	**Increase/(decrease) in cash and cash equivalents**	**108,005**	**61,025**	**(43)**
313,166	319,345	144,088	122	Cash and cash equivalents at the beginning of the period	186,192	313,166	68
(1,556)	(5,072)	9,769	n.a.	Exchange differences of cash and cash equivalents of consolidated foreign subsidiaries	11,708	(6,628)	n.a.
(4,940)	2,634	3,674	(28)	Unrealised foreign exchange difference on cash and cash equivalents	4,034	(2,306)	n.a.
319,345	**365,257**	**309,939**	**18**	**Cash and cash equivalents at the end of the period**	**309,939**	**365,257**	**18**

Notes to the interim condensed consolidated financial statements

1. General information

MOL Hungarian Oil and Gas Plc. was incorporated on 1 October 1991 on the transformation of its legal predecessor, the Országos Kőolaj- és Gázipari Tröszt (OKGT).

The registered office address of the Company is Október huszonharmadika u. 18., Budapest, Hungary.

MOL Plc. and its subsidiaries (hereinafter referred to as the Group or MOL Group) are involved in the exploration and production of crude oil, natural gas and other gas products, refining, transportation and storage of crude oil and wholesale and retail marketing of crude oil products, production and sale of olefins and polyolefins.

The shares of the Company are listed on the Budapest and the Warsaw Stock Exchange. Depositary Receipts (DRs) are listed on the Luxembourg Stock Exchange and are quoted on the International Order Book in London and other over the counter markets in New York, Berlin and Munich.

2. Basis of preparation

The interim condensed financial statements for the six months ended 30 June 2011 have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2010.

3. Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2010, except for the impact of the adoption of new Standards and Interpretations as of 1 January 2011 as follows:

IAS 24 Related Party Transactions (Amendment)

The amendment simplifies the disclosure requirements for entities that are controlled, jointly controlled or significantly influenced by a government and clarifies the definition of a related party. As a result, such a reporting entity is exempt from the general disclosure requirements in relation to transactions and balances with the government and government-related entities. The adoption of this amendment did not have any impact on the financial position or performance of the Group.

IAS 32 Financial Instruments: Recognition Presentation (Amendment)

The amendment alters the definition of a financial liability in IAS 32 to enable rights issues and certain options or warrants to acquire a fixed number of an entity's own equity instruments for a fixed price of any currency to be classified as equity instruments. The amendment had no effect on the financial position or performance of the Group.

IFRIC 14 Prepayments of a Minimum Funding Requirement (Amendment)

The amendment was issued to remove the unintended consequence in IFRIC 14 that in some cases entities are not permitted to recognize as an asset some voluntary prepayments for minimum funding contributions.The interpretation had no effect on the financial position or performance of the Group.

Improvements to IFRSs (issued May 2010)

In May 2010 the Board issued a collection of amendments to its standards, primarily with a view to
removing inconsistencies and clarifying wording. There are separate transitional provisions for each standard. The adoption of the following amendments resulted in changes to accounting policies but did not have significant impact on the financial position or performance of the Group.

IFRS 1 First time adoption of International Financial Reporting Standards

The annual improvements to IFRS 1 include: a) accounting policy changes in the year of IFRS adoption - if a first-time adopter changes its accounting policies or the use of exemptions in IFRS 1 after it has published its interim financial report in accordance with IAS 34 but before its first IFRS financial statements, it should explain those changes; b) revaluation basis as deemed cost – clarifies that a first-time adopter is permitted to use event-driven fair value as deemed cost during the first IFRS period and c) use of deemed cost for operations subject to rate regulation for certain items of property, plant and equipment or intangibles.

IFRS 3 Business combinations

Amendment to IFRS 3 specifies that the option to measure non-controlling interests either at fair value or at proportionate share of the acquiree's net identifiable assets applies only to non-controlling interests that are present ownership interests. All other components of non-controlling interests should be measured at their acquisition date fair value, unless another measurement basis is required by IFRSs.
IFRS 3 specifies that requirements to measure awards of the acquirer that replace acquiree share-based payment transactions with regards to IFRS 2 applies also to such transactions of the acquiree that are not replaced. The amendment also clarifies that market-based measurement of replacement awards applies to all replacement awards regardless of whether the acquirer is obliged to replace the awards or does so voluntarily.
The last amendment to IFRS 3 clarifies that IAS 32, IAS 39 and IFRS 7 do not apply to contingent consideration from a business combination which occurred before the effective date of the revised standard IFRS 3 in 2008.

IFRS 7 Financial Instruments: Disclosures

The improvement to IFRS 7 clarifies disclosure requirements regarding credit risk and collateral held in order to enable users better to understand the nature and extent of risks arising from financial instruments.

IAS 1 Presentation of Financial Statements

The amendment to IAS 1 clarifies that the entity may elect to present the analysis of other comprehensive income by item either in the statement of changes in equity or in the notes to the financial statements.

IAS 27 Consolidated and Separate Financial Statements

The amendment to IAS 27 clarifies that amendments made to IAS 21, IAS 28, and IAS 31 as a result of IAS 27 revisions in 2008 should be applied prospectively with some exceptions.

IAS 34 Interim Financial Reporting

Amendments to IAS 34 clarify how significant events and transactions in interim periods should update the relevant information presented in the most recent annual financial report.

IFRIC 13 Customer Loyalty Programmes

Amendment to IFRIC 13 specifies that fair value of award credits should consider the discount or incentives that customers who have not earned award credits would otherwise received as well as any expected forfeitures.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

4. Seasonality of operations

Certain operations of the Group, mainly the retail activities and the Gas Midstream segment are exposed to seasonality (in case of retail, holiday peak results in higher margin revenues, whereby sales of the Gas Midstream segment are higher in the winter heating season). However, on Group level such seasonality is not considered to be significant.

5. Operating segment information

Starting from 1 January 2011, the Group has revised its operational segments to reflect changes in organizational responsibilities as well as the approach of the Group's chief operating decision making bodies with respect to resource allocation and performance analysis. As a consequence,

- Petrochemical segment ceased to report separately and is included in Downstream
- Heating operations have been reclassified to Downstream from former Gas and Power
- INA' gas wholesale trading subsidiary has been reclassified to Gas Midstream from Upstream

As a result of this resegmentation, the Group has the following three reporting segments: Upstream, Downstream, Gas Midstream. Comparative periods have been restated accordingly.

Six months ended 30 June 2011	Upstream HUF million	Downstream HUF million	Gas Midstream HUF million	Corporate and other HUF million	Inter-segment transfers HUF million	**Total HUF million**
Net Revenue						
Sales to external customers	169,398	2,108,099	183,654	14,447		**2,475,598**
Inter-segment sales	208,110	149,246	17,737	56,289	(431,382)	
Total revenue	**377,508**	**2,257,345**	**201,391**	**70,736**	**(431,382)**	**2,475,598**
Results						
Profit/(loss) from operations	157,559	37,480	33,044	(32,227)	(8,290)	**187,566**
Net finance costs						**(18,393)**
Income from associates				5,808		**5,808**
Profit before tax						**211,767**
Income tax expense/(benefit)						**32,358**
Profit for the period						**179,409**

Six months ended 30 June 2010	Upstream HUF million	Downstream HUF million	Gas Midstream HUF million	Corporate and other HUF million	Inter-segment transfers HUF million	**Total HUF million**
Net Revenue						
Sales to external customers	146,349	1,563,106	207,799	12,733		**1,929,987**
Inter-segment sales	202,187	289,686	165,478	62,561	(719,912)	
Total revenue	348,536	1,852,792	373,277	75,294	(719,912)	**1,929,987**
Results						
Profit/(loss) from operations	90,042	9,379	29,915	(25,223)	(9,840)	**94,273**
Net finance costs						**101,305**
Income from associates				4,535		**4,535**

Profit before tax	**(2,497)**
Income tax expense/(benefit)	**38,552**
Profit for the period	**(41,049)**

Assets and liabilities at 30 June 2011	Upstream HUF million	Downstream HUF million	Gas Midstream HUF million	Corporate and other HUF million	Inter-segment transfers HUF million	**Total HUF million**
Property, plant and equipment, net	970,823	1,119,355	385,033	89,181	(62,561)	**2,501,831**
Intangible assets, net	187,283	94,062	5,612	17,193	(56)	**304,094**
Inventories	27,717	493,134	24,310	13,393	(13,083)	**545,471**
Trade receivables, net	85,780	466,323	27,073	21,477	(89,752)	**510,901**
Investments in associates				70,883		**70,883**
Assets classified as held for sale						
Not allocated assets						**615,435**
Total assets						**4,548,615**
Trade payables	33,057	381,631	44,454	30,650	(90,747)	**399,045**
Liabilities classified as held for sale						
Not allocated liabilities						**2,145,417**
Total liabilities						**2,544,462**

Assets and liabilities at 31 December 2010	Upstream HUF million	Downstream HUF million	Gas Midstream HUF million	Corporate and other HUF million	Inter-segment transfers HUF million	**Total HUF million**
Property, plant and equipment, net	1,065,969	1,176,040	403,193	96,269	(65,209)	**2,676,262**
Intangible assets, net	192,560	99,140	9,170	20,332	(3,044)	**318,158**
Inventories	39,708	367,490	1,861	9,965	(963)	**418,061**
Trade receivables, net	80,554	401,221	17,566	32,237	(67,906)	**463,672**
Investments in associates				73,004		**73,004**
Assets classified as held for sale						
Not allocated assets						**536,572**
Total assets						**4,485,729**
Trade payables	49,825	384,415	26,273	45,113	(72,678)	**432,948**
Liabilities classified as held for sale						
Not allocated liabilities						**2,078,304**
Total liabilities						**2,511,252**

Additional information on segment performance, including certain non-IFRS measures is included in Appendices I - II.

6. Impairment of fixed assets

Cash generating units of the Group (including those to which goodwill is allocated) are tested for impairment when circumstances indicate the carrying value may be impaired. Additionally, goodwill is also tested for impairment annually (as at 31 December) after the Group has completed its annual planning cycle. These require an estimation of the recoverable value of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The Group is currently in progress of updating its key assumptions for the future in the framework of its annual planning cycle. No changes in these key assumptions (subject to final approval from the management) has given rise so far to any indication for significant impairment of the Group's cash generating units or the allocated goodwill.

Impairment expense of HUF 1.8 bn and HUF 0.5 bn were recorded with respect to the revision of field abandonment provision of maturing and suspended oil and gas producing fields in H1 2011 and H1 2010, respectively. Furthermore, impairment expense of HUF 2.8 bn and HUF 3.1 bn were recognised on Hungarian exploration fields in H1 2011 and 2010, respectively. In H1 2011 HUF 2.4 bn impairment expense was recognised on Crosco Group's Lybian exploration equipment. A net impairment expense of HUF 0.6 bn were recorded with respect to low-performing filling stations and retail sites in H1 2010 only.

7. Property, plant and equipment

During the six months ended 30 June 2011, the Group acquired assets with cost of HUF 85.3 bn, compared to HUF 136.4 bn in H1 2010. The cash outflow of the current period mainly reflects the CAPEX in the upstream (including the Syrian and North-Adriatic developments) and the downstream (Croatian refinery modernization) segments, while in the comparative period mainly reflects the CAPEX on expanding the Hungarian import pipeline capacity.

Assets with net book value of HUF 0.5 bn were disposed of by the Group during the same period resulting in a net gain of HUF 0.7 bn.

8. Inventories

During the interim period the Group recorded an impairment of HUF 10.6 bn relating to different types of inventories. This expense is included in raw material cost and change in own produced inventory in the income statement.

9. Provisions

Total amount of provisions was HUF 337.4 bn as of 30 June 2011, an increase from HUF 324.4 bn as of 2010 year-end, reflecting the combined effect of unwinding of the discounts for long-term environmental and field abandonment provisions and the revision of previous estimates on discount rates and the changes in FX (EUR and HRK) rates.

10. Equity

Changes in the number of ordinary, treasury and authorized shares

Series "A" and "B" shares	Number of shares issued	Number of treasury shares	Shares under repurchase obligation	Number of shares outstanding	Authorised number of shares
31 December 2010	104,518,485	(7,434,737)	(17,882,552)	79,201,196	134,519,063
Settlement of the option agreement with ING Bank N.V.		(5,220,000)	5,220,000		
New option agreement with ING Bank N.V		5,220,000	(5,220,000)		
Option agreement with UniCredit Bank A.G.		2,914,692	(2,914,692)		
Transfer of treasury shares from MFB Invest Zrt.		(1,273,271)	1,273,271		
30 June 2011	104,518,485	(5,793,316)	(19,523,973)	79,201,196	134,519,063

Option agreements with ING Bank

On 4 January 2011 MOL exercised its American call option right arising from the share option agreement signed on 11 March 2010 with ING Bank N.V. ("ING") regarding 5,220,000 MOL Series "A" Ordinary shares with cash-settlement method, in respect of all shares. The strike price was EUR 75.4 per share. Settlement took place on 7 January 2011.

Simultaneously, MOL and ING signed a share option agreement on 4 January 2011. As a result of the transactions, MOL received an American call option and ING received a European put option regarding 5,220,000 MOL Series "A" Ordinary shares owned by ING. The maturity for both options is one year. The strike price for both call and put options is EUR 78.6 per share.

Share sale and option agreement with UniCredit

MOL entered into a share sale and a share option agreement with UniCredit Bank A.G. („UniCredit") on 8 February 2011. As a result of this transaction, UniCredit owns a total number of 2,914,692 MOL Series "A" Ordinary shares. Under the share option agreement MOL has an American call option and UniCredit a European put option in relation to such shares. Both options mature in one year, such maturity being subject to yearly extensions with one year, up to a maximum total tenor of three years. The strike price for both the call and the put options is EUR 85.8 per share which has been later amended to EUR 86.7. Due to the attached option structure, the transaction has been recorded as a non-current financial liability.

Transfer of treasury shares from MFB Invest

On June 29 2011 MFB Invest Zrt. transferred 1,273,271 MOL Series „A" Ordinary shares to MOL, according the share lending agreement between MOL and MFB Invest Zrt.

Dividends paid

During the interim period, no dividend was paid to the shareholders.

11. Borrowing and repayment of debt

Continuing the diversification of its funding portfolio, on 18 April 2011 MOL successfully executed the 2nd HUF bond issuance under the MOL Bond Programme 2010-2011. The total nominal value of the issuance was HUF 11 bn, tenor of the bonds is 3 years.

On 10 June 2011 MOL signed a EUR 1 bn revolving credit facility agreement with the aim of enhancing the maturity profile of its funding portfolio. The tenor of the facility is 5 years which can be extended by further 1 plus 1 year.

The EUR 1 bn facility has refinanced the EUR 700 million revolving credit facility expiring 23 May 2012, and has partially refinanced the EUR 825 million revolving credit facility agreement expiring 25 July 2013. The EUR 700 million revolving credit facility has been cancelled as part of the transaction.

The main pillars of MOL Group's long-term funds therefore are as follows: the EUR 1 billion, EUR 825 million and EUR 500 million multi-currency revolving loan facilities, the EUR 750 million Eurobond raised in 2005 and the EUR 750 million Eurobond raised in 2010 by MOL Plc. and USD 1 billion syndicated multi-currency revolving loan facility taken by INA.

The existing bank facilities ensure both sufficient level of liquidity and financial flexibility for the Group.

Issuance of long-term debt

	For the six month ended 30 June	
	2011	2010
	HUF million	HUF million
Increase in long-term debts	118,946	326,680
Non cash-flow element: unrealised exchange (gains) / losses	(51,781)	109,689
Total issuance of long-term debt	**67,165**	**436,369**

12. Financial income/ expense

	For the six months ended 30 June 2011 HUF million	2010 HUF million
Fair valuation gain on derivative transactions, net	-	3,306
Foreign exchange gain on borrowings	50,246	-
Foreign exchange gain on cash and cash equivalents, other receivables and payables, net	-	3,051
Fair valuation on conversion option	5,046	(338)
Interest received	4,195	2,743
Dividends received	2,455	494
Other financial income, net	1,946	8,718
Total financial income	**63,888**	**17,974**
Foreign exchange loss on borrowings	-	96,127
Interest on borrowings	19,229	12,997
Interest on provisions	5,932	8,800
Fair valuation loss on conversion option	-	-
Foreign exchange loss on cash and cash equivalents, other receivables and payables, net	5,522	-
Fair valuation loss on derivative transactions, net	13,780	-
Other financial expenses	1,032	1,355
Total financial expenses	**45,495**	**119,279**
Total financial expense, net	**(18,393)**	**101,305**

Call option on MOL shares owned by CEZ

On 20 December 2007 CEZ and MOL signed an agreement to create a joint venture. To strengthen the strategic alliance, CEZ purchased 7,677,285 pieces of “A” series MOL shares (7% stake) at HUF 30,000 which was financially closed and settled on 23 January 2008. MOL also purchased an American call option for the shares with a strike price of HUF 20,000 per share which can be exercised within 3 years. The call option has been recorded as a derivative financial asset, measured at its fair value. During 2009 the terms of the call option has been renegotiated by the parties, extending it to 2014. The fair value of the option as of 30 June 2011 and 2010 was HUF 23.6 bn and HUF 14.0 bn, respectively, determined by applying the binomial valuation model. Spot market price (HUF 21,041 per share), implied volatility (40.3%) and an expected dividend yield of 1.22% have been used as input to the model as of 30 June 2011.

Fair valuation loss on derivative transactions, net includes the HUF 12.9 bn unrealised fair valuation loss on CEZ option as of June 30, 2011.

Perpetual exchangeable capital securities

The conversion option of the holders of Capital Securities issued by Magnolia Finance Limited has been recorded as Other non-current liability, the fair valuation of which is recognized in income statement. The fair value of the conversion option is determined on the basis of the fair value of the Capital Securities, using investment valuation methods (market values), and depends principally on the following factors:

- Quoted MOL share prices denominated in HUF
- HUF/EUR exchange rate
- Implied volatility of MOL share prices (calculated on EUR basis)
- Investor's dividend expectations on MOL shares
- EUR-based interest rate
- Subordinated credit spread

The fair value of the conversion option as of 30 June 2011 and 2010 was HUF 20.0 bn and HUF 20.0 bn, respectively. The fair valuation impact of the option was HUF 5.0 bn gain in 2011 and HUF 0.3 bn loss in 2010, recorded as financial gain and expense.

13. Income tax

The main components of income tax expense in the interim consolidated income statement are:

	For the six months ended 30 June	
	2011	2010
	HUF million	HUF million
Current corporate income taxes	29,497	27,550
Local trade tax and innovation fee	5,781	5,926
Deferred corporate income taxes	(2,920)	7,693
Total income tax expense/(benefit)	**32,358**	**41,169**

Income tax recognized in other comprehensive income

	For the six months ended 30 June 2011 HUF million	2010 HUF million
Deferred tax recognised in other comprehensive income:		
Revaluations of available-for-sale financial assets	-	255
Revaluations of financial instruments treated as cash flow hedges	(73)	822
Reclassifications from equity to profit or loss:		
Relating to available-for-sale financial assets	-	-
Relating to cash flow hedges	-	-
Total income tax recognised in other comprehensive income	**(73)**	**1,077**

14. Components of other comprehensive income

	For six month ended 30 June 2011 HUF million	2010 HUF million
Exchange differences on translating foreign operations		
Gains / (losses) arising during the year	(101,718)	116,761
Reclassification adjustments for gains and losses included in the income statement	-	-
	(101,718)	**116,761**
Available-for-sale financial assets, net of deferred tax		
Gains / (losses) arising during the year	122	2,186
Reclassification adjustments for gains and losses included in the income statement	-	(5,257)
	122	**(3,071)**

Cash-flow hedges, net of deferred tax		
Gains / (losses) arising during the year	660	(3,507)
Reclassification adjustments for gains and losses included in the income statement	-	-
	660	**(3,507)**
Share of other comprehensive income for associates		
Gains / (losses) arising during the year	(9,931)	17,067
Reclassification adjustments for gains and losses included in the income statement	-	-
	(9,931)	**17,067**

15. Earnings per share

	Income (HUF million)	Weighted average number of shares	Earnings per share (HUF)
Basic Earnings Per Share for the six months ended 30 June 2010	(24,215)	84,421,196	(287)
Diluted Earnings Per Share for the six months ended 30 June 2010	(24,215)	84,421,196	(287)
Basic Earnings Per Share for the six months ended 30 June 2011	146,631	86,723,964	1,691
Diluted Earnings Per Share for the six months ended 30 June 2011	141,585	92,731,443	1,527

	For the six month ended 30 June 2011 HUF million	For the six month ended 30 June 2010 HUF million
Net profit attributable to ordinary shareholders for basic earnings per share	146,631	(24,215)
Fair value of conversion option	(5,046)	-
Interest on convertible bonds	-	-
Net profit attributable to ordinary shareholders for diluted earnings per share	141,585	(24,215)

	For the six month ended 30 June 2011	For the six month ended 30 June 2010
Weighted average number of ordinary shares for basic earnings per share	86,723,964	84,421,196
Effect of dilution – Weighted average number of conversion of perpetual exchangeable securities	6,007,479	-
Effect of dilution – Weighted average number of convertible bonds	-	-
Adjusted weighted average number of ordinary shares for diluted earnings per share	92,731,443	84,421,196

As the fair valuation difference of the conversion option had an anti-dilutive effect in H1 2010, the diluted EPS was equal with the basic EPS.

16. Commitments and contingent liabilities

Capital contractual commitments of the Group were HUF 53.5 bn as of 30 June 2011, compared to HUF 64.0 bn at the end of 2010. INA contributed HUF 21.5 bn to the Group's capital contractual commitments after spending HUF 19.4 bn in 2011 mainly on oil and gas field development in Syria, Egypt and Angola and the refinery modernisation projects in Croatia. Additional HUF 16.0 bn from the total commitment value reflects the modernization project of the thermal power plant in Bratislava.

Other contingencies and commitments (guarantees, operating lease liabilities and obligations resulting from litigation in which the Group acts as defendant) did not change significantly in H1 2011 compared to the amounts reported in the previous year.

17. Related party transactions

Major transactions with associated companies in the normal course of business

	For the six month ended 30 June 2011 HUF million	For the six month ended 30 June 2010 HUF million
Trade and other receivables due from related parties	337	38,614
Loans given to related parties	14,336	17,616
Trade and other payables due to related parties	1,947	364
Net sales to related parties	3,395	50,397

The Group purchased and sold goods and services with related parties during the ordinary course of business in H1 2011 and 2010. All of these transactions were conducted under market prices and conditions. The significantly higher balances in the comparative period reflect the one-off effect of selling a major natural gas inventory to MOL Energy Trade, an associated company from the commercial storage owned by MOL's subsidiary, MMBF.

18. Events after the end of the reporting period

No significant events took place subsequent to the end of the reporting period.

APPENDIX I

KEY IFRS FINANCIAL DATA BY BUSINESS SEGMENT (in HUF million)

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	Net Sales Revenues*	H1 2010 restated	H1 2011	Ch. %
178,326	199,182	177,035	13	Upstream	348,536	377,508	8
1,059,517	1,197,828	1,009,454	19	Downstream	1,852,792	2,257,345	22
166,918	34,473	182,004	(81)	Gas Midstream	373,277	201,391	(46)
34,688	36,048	47,520	(24)	Corporate and other	75,294	70,736	(6)
1,439,449	**1,467,531**	**1,416,013**	**4**	**Total Net Sales Revenues**	**2,649,899**	**2,906,980**	**10**
(262,237)	**(169,145)**	**(362,166)**	**(53)**	Less: Intersegment transfers	**(719,912)**	**(431,382)**	**(40)**
(106,214)	(101,896)	(97,636)	4	ow: Upstream	(202,187)	(208,110)	3
(83,839)	(65,407)	(141,851)	(54)	ow: Downstream	(289,686)	(149,246)	(48)
(43,220)	25,483	(82,537)	n.a.	ow: Gas Midstream	(165,478)	(17,737)	(89)
(28,964)	(27,325)	(40,142)	(32)	ow: Corporate and other	(62,561)	(56,289)	(10)
1,177,212	**1,298,386**	**1,053,847**	**23**	**Total External Net Sales Revenues**	**1,929,987**	**2,475,598**	**28**

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	Operating Profit	H1 2010 restated	H1 2011	Ch. %
83,767	73,792	35,888	106	Upstream	90,042	157,559	75
32,119	5,361	13,433	(60)	Downstream	9,379	37,480	300
18,502	14,542	17,346	(16)	Gas Midstream(1)	29,915	33,044	10
(21,349)	(10,878)	(13,267)	(18)	Corporate and other	(25,223)	(32,227)	28
(3,912)	(4,378)	(7,239)	(40)	Intersegment transfers**	(9,840)	(8,290)	(16)
109,127	**78,439**	**46,161**	**70**	**Total Operating Profit**	**94,273**	**187,566**	**99**

(1) Gas Midstream segment operating profit, in addition to subsidiary results, includes segment level consolidation effects.

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	Operating Profit Excluding Special Items (1)	H1 2010 restated	H1 2011	Ch. %
87,485	74,393	71,714	4	Upstream	125,868	161,878	29
39,085	17,236	13,433	28	Downstream	9,559	56,321	489
18,595	14,547	17,346	(16)	Gas Midstream	33,953	33,142	(2)
(20,387)	(14,820)	(13,267)	12	Corporate and other	(25,223)	(35,207)	40
(3,912)	(4,378)	(7,239)	(40)	Intersegment transfers**	(9,840)	(8,290)	(16)
120,866	**86,978**	**81,987**	**6**	**Total Operating Profit Excluding Special Items**	**134,317**	**207,844**	**55**

(1) Operating profit excluding the additional expense of the turnover of inventories of INA which were recognized at fair market value upon initial consolidation as opposed to the carrying amounts reflected in INA Group's separate financial statements (HUF 4.2 bn in Q1 2010), the provision made for the recovery of mining royalty rendered by the EU Commission (HUF 35.8 bn at Upstream division) in Q2 2010, the provision for redundancy recorded at INA in Q1 2011 (HUF 3.2 bn), the 2011 Q2 impact of the release of the provision which was recorded for the penalty at INA in Q4 2010 (HUF 4.0 bn), the crisis tax imposed by the Hungarian state on domestic energy sector recorded in Q1 and Q2 2011, respectively (HUF 6.2 bn and HUF 7.1 bn), the impact of impairment on Crosco Group's Lybian exploration equipment recognised in Q1 2011 (HUF 2.4 bn – having no impact on EBITDA) and the HUF 5.5 bn impairment related to the treatment of gas bottles at Proplin which needed to be harmonized with the current situation in Q2 2011.

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	Depreciation	H1 2010 restated	H1 2011	Ch. %
31,672	40,689	27,652	47	Upstream	61,964	72,361	17
27,288	28,123	28,581	(2)	Downstream	56,836	55,411	(3)
4,626	4,323	5,174	(16)	Gas Midstream	9,722	8,949	(8)
4,405	4,226	4,352	(3)	Corporate and other	8,747	8,631	(1)
(471)	(531)	(1,342)	(60)	Intersegment transfers**	(2,166)	(1,002)	(54)
67,520	**76,830**	**64,417**	**19**	**Total Depreciation**	**135,103**	**144,350**	**7**

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	EBITDA	H1 2010 restated	H1 2011	Ch. %
115,439	114,481	63,540	80	Upstream	152,006	229,920	51
59,407	33,484	42,014	(20)	Downstream	66,215	92,891	40
23,128	18,865	22,520	(16)	Gas Midstream	39,637	41,993	6
(16,944)	(6,652)	(8,915)	(25)	Corporate and other	(16,476)	(23,596)	43
(4,383)	(4,909)	(8,581)	(43)	Intersegment transfers**	(12,006)	(9,292)	(23)
176,647	**155,269**	**110,578**	**40**	**Total EBITDA**	**229,376**	**331,916**	**45**

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	EBITDA Excluding Special Items [1]	H1 2010 restated	H1 2011	Ch. %
116,776	115,082	99,366	16	Upstream	187,832	231,858	23
66,373	45,359	42,014	8	Downstream	66,395	111,732	68
23,221	18,870	22,520	(16)	Gas Midstream	43,675	42,091	(4)
(15,982)	(10,594)	(8,915)	19	Corporate and other	(16,476)	(26,576)	61
(4,383)	(4,909)	(8,581)	(43)	Intersegment transfers**	(12,006)	(9,292)	(23)
186,005	**163,808**	**146,404**	**12**	**Total EBITDA Excluding Special Items**	**269,420**	**349,813**	**30**

[1] EBITDA excluding the additional expense of the turnover of inventories of INA which were recognized at fair market value upon initial consolidation as opposed to the carrying amounts reflected in INA Group's separate financial statements (HUF 4.2 bn in Q1 2010), the provision made for the recovery of mining royalty rendered by the EU Commission (HUF 35.8 bn at Upstream division) in Q2 2010, the provision for redundancy recorded at INA in Q1 2011 (HUF 3.2 bn), the 2011 Q2 impact of the release of the provision which was recorded for the penalty at INA in Q4 2010 (HUF 4.0 bn), the crisis tax imposed by the Hungarian state on domestic energy sector recorded in Q1 and Q2 2011, respectively (HUF 6.2 bn and HUF 7.1 bn) and the HUF 5.5 bn impairment related to the treatment of gas bottles at Proplin which needed to be harmonized with the current situation in Q2 2011.

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	Capital Expenditures	H1 2010 restated	H1 2011	Ch. %
15,990	20,679	26,633	(22)	Upstream	56,415	36,669	(35)
16,492	14,851	39,485	(62)	Downstream	59,386	31,343	(47)
898	701	22,732	(97)	Gas Midstream	56,093	1,599	(97)
3,613	22,024	1,256	1654	Corporate	2,076	25,637	1135
(2,803)	1,720		n.a	Intersegment		(1,083)	n.a
34,190	**59,975**	**90,106**	**(33)**	**Total**	**173,970**	**94,165**	**(46)**

Tangible Assets	30/06/2010 restated	30/06/2011	Ch. %
Upstream	1,075,422	970,823	(10)
Downstream	1,201,382	1,119,355	(7)
Gas Midstream	391,789	385,033	(2)
Corporate and other	101,203	89,181	(12)
Intersegment transfers	(67,154)	(62,561)	(7)
Total Tangible Assets	**2,702,642**	**2,501,831**	**(7)**

* Net external sales revenues and operating profit includes the profit arising both from sales to third parties and transfers to the other business segments. Upstream transfers domestically produced crude oil, condensates and LPG to Downstream and natural gas to the Gas Midstream segment. The internal transfer prices used are based on prevailing market prices. The gas transfer price equals the average import price. Divisional figures contain the results of the fully consolidated subsidiaries engaged in the respective divisions.

** This line shows the effect on operating profit of the change in the amount of unrealised profit deferred in respect of transfers between segments. Unrealised profits arise where the item transferred is held in inventory by the receiving segment and a third party sale takes place only in a subsequent quarter. For segmental reporting purposes the transferor segment records a profit immediately at the point of transfer. However, at the company level profit is only reported when the related third party sale has taken place. Unrealised profits arise principally in respect of transfers from Upstream to Gas Midstream.

APPENDIX II
KEY IFRS FINANCIAL DATA BY BUSINESS SEGMENT (in USD million)

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	Net Sales Revenues *	H1 2010 restated	H1 2011	Ch. %
894	1,077	819	32	Upstream	1,698	1,965	16
5,314	6,476	4,671	39	Downstream	9,029	11,750	30
837	186	842	(78)	Gas Midstream	1,819	1,048	(42)
174	195	220	(11)	Corporate and other	367	368	-
7,219	**7,934**	**6,552**	**21**	**Total Net Sales Revenues**	**12,913**	**15,131**	**17**
(1,315)	**(914)**	**(1,675)**	**(45)**	Less: Intersegment transfers	**(3,508)**	**(2,245)**	**(36)**
(533)	(551)	(452)	22	ow: Upstream	(985)	(1,083)	10
(420)	(354)	(656)	(46)	ow: Downstream	(1,412)	(777)	(45)
(217)	138	(382)	n.a.	ow: Gas Midstream	(806)	(92)	(89)
(145)	(147)	(185)	(21)	ow: Corporate and other	(305)	(293)	(4)
5,904	**7,020**	**4,877**	**44**	**Total External Net Sales Revenues**	**9,405**	**12,886**	**37**

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	Operating Profit	H1 2010 restated	H1 2011	Ch. %
420	399	166	140	Upstream	439	820	87
161	29	62	(53)	Downstream	46	195	324
93	79	80	(1)	Gas Midstream (1)	146	172	18
(107)	(59)	(61)	(3)	Corporate and other	(123)	(168)	37
(20)	(24)	(33)	(27)	Intersegment transfers**	(49)	(43)	(12)
547	**424**	**214**	**98**	**Total Operating Profit**	**459**	**976**	**113**

(1) Gas Midstream segment operating profit, in addition to subsidiary results, includes segment level consolidation effects.

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	Operating Profit Excluding Special Items (1)	H1 2010 restated	H1 2011	Ch. %
439	402	332	21	Upstream	613	843	38
196	93	62	50	Downstream	47	293	523
93	79	80	(1)	Gas Midstream	165	173	5
(102)	(80)	(61)	31	Corporate and other	(123)	(183)	49
(20)	(24)	(34)	(29)	Intersegment transfers**	(47)	(44)	(6)
606	**470**	**379**	**24**	**Total Operating Profit Excluding Special Items**	**655**	**1,082**	**65**

(1) Operating profit excluding the additional expense of the turnover of inventories of INA which were recognized at fair market value upon initial consolidation as opposed to the carrying amounts reflected in INA Group's separate financial statements (USD 21.7 mn in Q1 2010), the provision made for the recovery of mining royalty rendered by the EU Commission (USD 165.8 mn at Upstream division) in Q2 2010, the provision for redundancy recorded at INA Q1 2011 (USD 16.1 mn), the 2011 Q2 impact of the release of the provision which was recorded for the penalty at INA in Q4 2010 (USD 21.9 mn), the crisis tax imposed by the Hungarian state on domestic energy sector recorded in Q1 and Q2 2011, respectively (USD USD 30.9 mn and USD 38.5 mn), the impact of impairment on Crosco Group's Lybian exploration equipment recognised in Q1 2011 (USD 11.9 mn – having no impact on EBITDA) and the USD 29.6 bn impairment related to the treatment of gas bottles at Proplin which needed to be harmonized with the current situation in Q2 2011.

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	Depreciation	H1 2010 restated	H1 2011	Ch. %
159	220	128	72	Upstream	302	377	25
137	152	132	15	Downstream	277	288	4
23	23	24	(4)	Gas Midstream	47	47	-
22	23	20	15	Corporate and other	43	45	5
(2)	(3)	(6)	(50)	Intersegment transfers**	(11)	(5)	(55)
339	**415**	**298**	**39**	**Total Depreciation**	**658**	**752**	**14**

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	EBITDA	H1 2010 restated	H1 2011	Ch. %
579	619	294	111	Upstream	741	1,197	62
298	181	194	(7)	Downstream	323	483	50
116	102	104	(2)	Gas Midstream	193	219	13
(85)	(36)	(41)	(12)	Corporate and other	(80)	(123)	54
(22)	(27)	(39)	(31)	Intersegment transfers**	(59)	(48)	(19)
886	**839**	**512**	**64**	**Total EBITDA**	**1,118**	**1,728**	**55**

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	EBITDA Excluding Special Items (1)	H1 2010 restated	H1 2011	Ch. %
586	622	460	35	Upstream	915	1,207	32
333	245	194	26	Downstream	324	581	79
116	102	104	(2)	Gas Midstream	212	220	4
(80)	(57)	(41)	39	Corporate and other	(80)	(138)	73
(22)	(26)	(40)	(35)	Intersegment transfers**	(58)	(49)	(16)
933	**886**	**677**	**31**	**Total EBITDA Excluding Special Items**	**1,313**	**1,821**	**39**

(1) EBITDA excluding the the additional expense of the turnover of inventories of INA which were recognized at fair market value upon initial consolidation as opposed to the carrying amounts reflected in INA Group's separate financial statements (USD 21.7 mn in Q1 2010), the provision made for the recovery of mining royalty rendered by the EU Commission (USD 165.8 mn at Upstream division) in Q2 2010, the provision for redundancy recorded at INA Q1 2011 (USD 16.1 mn), the 2011 Q2 impact of the release of the provision which was recorded for the penalty at INA in Q4 2010 (USD 21.9 mn), the crisis tax imposed by the Hungarian state on domestic energy sector recorded in Q1 and Q2 2011, respectively (USD USD 30.9 mn and USD 38.5 mn) and the USD 29.6 bn impairment related to the treatment of gas bottles at Proplin which needed to be harmonized with the current situation in Q2 2011.

Q1 2011	Q2 2011	Q2 2010 restated	Ch. %	Capital Expenditures	H1 2010 restated	H1 2011	Ch. %
80	112	123	(9)	Upstream	275	191	(31)
83	80	183	(56)	Downstream	290	163	(44)
5	4	105	(96)	Gas	273	8	(97)
18	119	6	1883	Corporate	10	133	1230
(14)	9		n.a	Intersegment		(5)	n.a
172	**324**	**417**	**(22)**	**Total**	**848**	**490**	**(42)**

Tangible Assets	30/06/2010 restated	30/06/2011	Ch. %
Upstream	4,586	5,294	15
Downstream	5,123	6,104	19
Gas Midstream	1,671	2,100	26
Corporate and other	432	486	13
Intersegment transfers	(286)	(341)	19
Total Tangible Assets	**11,526**	**13,643**	**18**

* Net external sales revenues and operating profit includes the profit arising both from sales to third parties and transfers to the other business segments. Upstream transfers domestically produced crude oil, condensates and LPG to Downstream and natural gas to the Gas Midstream segment. The internal transfer prices used are based on prevailing market prices. The gas transfer price equals the average import price. Divisional figures contain the results of the fully consolidated subsidiaries engaged in the respective divisions.
** This line shows the effect on operating profit of the change in the amount of unrealised profit deferred in respect of transfers between segments. Unrealised profits arise where the item transferred is held in inventory by the receiving segment and a third party sale takes place only in a subsequent quarter. For segmental reporting purposes the transferor segment records a profit immediately at the point of transfer. However, at the company level profit is only reported when the related third party sale has taken place. Unrealised profits arise principally in respect of transfers from Upstream to Gas Midstream.

APPENDIX III
MAIN EXTERNAL PARAMETERS

Q1 2011	Q2 2011	Q2 2010	Ch. %		H1 2010	H1 2011	Ch. %
105.4	117.0	78.2	50	Brent dated (USD/bbl)	77.3	111.1	44
102.7	113.7	76.9	48	Ural Blend (USD/bbl) [1]	76.1	108.1	42
2.85	2.85	1.79	59	Brent Ural spread (USD/bbl)	1.58	2.85	81
922.2	1058.3	732.8	44	Premium unleaded gasoline 10 ppm (USD/t) [2]	729.5	988.6	36
912.0	983.5	684.4	44	Gas oil – ULSD 10 ppm (USD/t) [2]	663.9	946.9	43
884.0	958.5	670.4	43	Naphtha (USD/t) [3]	677.2	920.3	36
551.2	619.1	431.4	43	Fuel oil 3.5 (USD/t) [3]	433.0	584.3	35
124.7	172.8	140.9	23	Crack spread – premium unleaded (USD/t) [2]	144.8	148.2	2
114.5	98.0	92.6	6	Crack spread – gas oil (USD/t) [2]	79.2	106.4	34
86.4	73.1	78.6	(7)	Crack spread – naphtha (USD/t) [3]	92.5	79.9	(14)
-246.3	-266.4	-161.3	65	Crack spread – fuel oil 3.5 (USD/t) [3]	-152.0	-256.1	68
1147	1207	963	25	Ethylene (EUR/t)	940	1177	25
377	348	343	1	Integrated petrochemical margin (EUR/t)	323	363	12
199.4	185.0	216.1	(14)	HUF/USD average	205.2	192.1	(6)
272.5	266.3	274.4	(3)	HUF/EUR average	271.5	269.4	(1)
36.8	36.03	37.85	(5)	HUF/HRK	37.36	36.41	(3)
5.42	5.13	5.71	(10)	HRK/USD	5.49	5.28	(4)
0.31	0.26	0.26	2	3m USD LIBOR (%)	0.35	0.29	(18)
1.10	1.42	0.66	114	3m EURIBOR (%)	0.67	1.26	87
6.03	6.10	5.91	3	3m BUBOR (%)	5.60	6.07	8

[1] CIF Med parity
[2] FOB Rotterdam parity
[3] FOB Med parity

Q1 2011	Q2 2011	Q2 2010	Ch. %		H1 2010	H1 2011	Ch. %
187.0	183.4	234.5	(22)	HUF/USD closing	234.5	183.4	(22)
265.8	265.6	286.5	(7)	HUF/EUR closing	286.5	265.6	(7)
36.0	35.94	39.81	(10)	HUF/HRK closing	39.81	35.94	(10)
5.19	5.10	5.89	(13)	HRK/USD closing	5.89	5.10	(13)

APPENDIX IV
MOL GROUP FILLING STATIONS

MOL Group filling stations	30 June 2010	30 September 2010	31 December 2010	31 March 2011	30 June 2011
Hungary	362	363	364	364	364
Croatia	480	480	467	463	460
Italy	204	207	205	214	219
Slovakia	209	209	208	209	209
Romania	126	126	126	127	127
Bosnia and Herzegovina	107	106	109	109	109
Austria	66	66	66	66	65
Serbia	33	33	33	33	33
Czech Republic	26	26	26	26	26
Slovenia	18	18	18	18	18
Montenegro	1	1	1	1	1
Total MOL Group filling stations	**1,632**	**1,635**	**1,623**	**1,630**	**1,631**

APPENDIX V
MOL GROUP HEADCOUNT

Closing headcount (person)	30 June 2010	30 September 2010	31 December 2010	31 March 2011	30 June 2011
MOL Plc. (parent company)	5,291	5,363	5,270	5,301	5,320
MOL Group	**34,488**	**34,329**	**32,394**	**31,970**	**31,772**

APPENDIX VI
REGULATED INFORMATIONS IN 2011

Announcement date	
04 January 2011	Settlement and new option agreement with ING Bank
19 January 2011	The result of the MOL's General offer for freefloat of INA was finalised
31 January 2011	Number of voting rights at MOL Plc.
08 February 2011	Share purchase and share option agreement between MOL and UniCredit Bank A.G.
14 February 2011	Report on the Full year 2010 result of MOL Group
14 February 2011	Shaikan-3 Well Update – Shaikan Block, Kurdistan Region of Iraq
21 February 2011	New gas discovery in Pakistan - Tolanj X-1 well test results
28 February 2011	Number of voting rights at MOL Plc.
01 March 2011	MOL published its updated Investor Presentation and its Exploration and Development Update for 2011
22 March 2011	Shaikan-2 Appraisal Well Test Results – Shaikan Block, Kurdistan Region of Iraq
25 March 2011	Announcement by The Board of Directors of MOL Plc. on the convocation of the Company's Ordinary General Meeting in 2011
25 March 2011	Personnel and organizational changes in MOL Plc.
25 March 2011	Spud of Bekhme-1 Exploration Well – Akri-Bijeel Block, Kurdistan Region of Iraq
31 March 2011	Number of voting rights at MOL Plc.
04 April 2011	MOL published its audited Annual Report for the business year of 2010
06 April 2011	Documents for the Annual General Meeting of MOL Plc. to be held on 28 April, 2011
13 April 2011	Announcement about the second addendum to the base prospectus of MOL Bond programme 2010-2011
14 April 2011	The result of the auction of MOL 1404 L/2 HUF bond
18 April 2011	Final result of the issuance of MOL 1404 L/2 HUF bond
19 April 2011	MOL signs Concession Agreements in Romania
28 April 2011	Resolutions on the Annual General Meeting of MOL held on 28 April 2011
28 April 2011	MOL Group Corporate Governance Report in accordance with Budapest Stock Exchange Corporate Governance Recommendations
02 May 2011	Number of voting rights at MOL Plc.
02 May 2011	Share sale of MOL manager
19 May 2011	MOL Group 2011 I. Quarter Interim management report
24 May 2011	Hungarian State and Surgutneftegas reached agreement on MOL shares
24 May 2011	Notification on change in voting rights
27 May 2011	Personnel and organizational changes in MOL Plc.
31 May 2011	Number of voting rights at MOL Plc.
09 June 2011	Election of Officers at MOL
10 June 2011	Amendment of the share option agreement between MOL and UniCredit Bank A.G.
14 June 2011	MOL Plc. signed a EUR 1 billion revolving credit facility agreement
29 June 2011	MOL treasury share transaction
30 June 2011	Number of voting rights at MOL Plc.
08 July 2011	Notification on change in voting rights
29 July 2011	Share sale of MOL manager
01 August 2011	Number of voting rights at MOL Plc.

APPENDIX VII
SHAREHOLDER STRUCTURE (%)

Shareholder groups	31 Dec 2009	31 Mar 2010	30 Jun 2010	30 Sep 2010	31 Dec 2010	31 Mar 2011	30 June 2011
Foreign investors (mainly institutional)	25.8	26.4	26.4	26.6	26.1	26.7	**26.5**
Surgutneftegas OJSC*	21.2	21.2	21.2	21.2	21.2	21.2	**21.2**
CEZ MH B.V.	7.3	7.3	7.3	7.3	7.3	7.3	**7.3**
OmanOil (Budapest) Limited	7.0	7.0	7.0	7.0	7.0	7.0	**7.0**
OTP Bank Plc.	6.4	6.2	6.1	6.1	6.2	6.2	**6.2**
Magnolia Finance Limited	5.7	5.7	5.7	5.7	5.7	5.7	**5.7**
ING Bank N.V.	5.0	5.0	5.0	5.0	5.0	5.0	**5.0**
Crescent Petroleum	3.0	3.0	3.0	3.0	3.0	3.0	**3.0**
Dana Gas PJSC	3.0	3.0	3.0	3.0	3.0	3.0	**3.0**
UniCredit Bank AG	n.a.	n.a.	n.a.	n.a.	n.a.	2.8	**2.8**
MFB Invest Zrt.	1.2	1.2	1.2	1.2	1.2	1.2	**0.0**
Domestic institutional investors	4.2	4.1	4.0	4.3	4.6	4.4	**4.4**
Domestic private investors	3.0	2.6	2.8	2.3	2.5	2.0	**2.2**
MOL Nyrt. (treasury shares)	7.1	7.1	7.1	7.1	7.1	4.3	**5.5**

Please note, that data above do not fully reflect the ownership structure in the Share Register. The registration is not mandatory. The shareholder may exercise its rights towards the company, if the shareholder is registered in the Share Register.

According to the registration requests to the Share Register and the shareholders notifications, seven shareholder groups had more than 5% voting rights in MOL Plc. on 30 July 2011, Surgutneftegas OJSC* having 21.2%, CEZ MH B.V. having 7.3%, OmanOil (Budapest) Limited having 7.0%, OTP Bank Plc. having 6.2%, Crescent Petroleum and Dana Gas (parties acting in concert) having 6%, Magnolia Finance Limited having 5.7% and ING Groep N.V. having 5.3% voting rights in MOL. Please note that the voting rights are calculated as the number of shares held to total shares. According to the Articles of Association no shareholder or shareholder group may exercise more than 10% of the voting rights.

*On 24 May 2011, the persons acting on behalf of the Hungarian State informed the Company that the Government of Hungary signed an agreement with Surgutneftegas OJSC to purchase 22,179,488 pieces of "A" series MOL shares (21,22%) owned by Surgutneftegas OJSC. In case of Parliamentary approval, the transaction shall be completed by the latest of 31 August 2011 by a majority state-owned company or institution, assigned in the future. According to the received information pursuant to the agreement between the parties the purchase price is EUR 1.88 billion. On 6 July the transaction closed and Surgutneftegas OJSC transferred 22,179,488 pieces of "A" series MOL shares to the Hungarian State.

According to the information received from the Hungarian State on 7th July 2011, The Hungarian State has a total direct and indirect voting right of 24,900,801, or 23.82% at MOL plc.

APPENDIX VIII
CHANGES IN ORGANISATION AND SENIOR MANAGEMENT

► **The Company published the following announcement on 25 March 2011:**

- György Mosonyi resigns as of 30 April 2011 as MOL Plc's Group Chief Executive Officer and member of the Board of Directors and will not participate in the operative governance of the Company in the future. The Board of Directors acknowledged the decision of György Mosonyi, and highly appreciated his outstanding work made in the past 12 years, that significantly supported MOL to develop into a leading international oil company. The Board of Directors asked him to support the Group with his experience and industrial knowledge in his non-executive positions in the future as well.
- The Board of Directors of MOL proposes to its shareholders to elect Oszkár Világi as new member of the Board of Directors on the upcoming General Meeting. Oszkár Világi is the Chief Executive Officer of Slovnaft, Chairman of Slovnaft's Board of Directors and member of MOL's Executive Board.
- Dr. Mihály Kupa resigns as member of the Supervisory Board as of 30 April 2011. The Board of Directors expressed its appreciation for the high quality work of Dr. Mihály Kupa as Chairman of the body since 2002.
- The Board of Directors of MOL proposes to its shareholders to elect György Mosonyi as new member of the Supervisory Board on the upcoming General Meeting.
- From 1 May the new Group Chief Executive Officer of MOL Plc. is József Molnár, current Group Chief Financial Officer. József Molnár is the Group Chief Financial Officer of MOL since 2004, and gained more than two-decade executive, financial and industrial experience in different executive positions in MOL Group, TVK and Borsodchem.
- The Board of Directors reviewed the organizational structure and work-split of the Executive Board of MOL, and as a result continues its work in the following structure from 1 May 2011:
    - The new Group Chief Financial Officer is József Simola who is member of MOL's Executive Board since 2006.
    - Executive Vice President of Downstream division which includes Refining & Marketing, Retail and Petrochemicals businesses is Ferenc Horváth.
    - Executive Vice President of Exploration and Production division remains Zoltán Áldott who is the non-executive Chairman of INA's Board at the same time.
    - Strategy division is integrated with Corporate Business Development division and is headed by Ábel Galácz Vice President

► **The Annual General Meeting on 28 April 2011 elected Mr. Oszkár Világi to be member of the Board of Directors from 1 May 2011 to 30 April 2016.**

The AGM elected Mr. György Mosonyi as member of the Supervisory Board from 1 May 2011 to 30 April 2016. and Mr. István Töröcskei as independent member of the Supervisory Board to be member of the Audit Committee effective as from 1 May 2011.

The AGM elected dr. Sándor Puskás, as employee representative in the Supervisory Board of MOL Plc. from the date of the Annual General Meeting until 11 October 2012.

► **The following organizational changes took place with the effect of June 2011:**

Within the Upstream division, the following change took place:

With effect of 1 June 2011, Zoltán Áldott, Executive Vice President of Exploration and Production Division concentrate in his full capacity for the position of the President of the Management Board of INA, further strengthening INA's position within MOL Group. Sándor Fasimon took over his position as Executive Vice President of Exploration and Production Division, who had been formerly the Senior Vice President of Supply and Trading – this organisation ceased to exist as of 1 June 2011. Sándor Fasimon become also a member of MOL Executive Board (EB), as the

Executive Vice President of Exploration and Production Division. Zoltán Áldott also retained his membership in MOL EB.

Within the new Downstream division, the following change took place:

As of 1st June 2011 dr. Béla Kelemen, who joined our company in 1997, become the new Senior Vice President of Refining & Marketing. Dr. Béla Kelemen has held several managerial positions in R&M Commercial, SCM and Refining. He had been head of MOL Group R&M Refining since September 2007.

As of 1st June 2011 Zsolt Pethő become the new Senior Vice President of Petrochemicals and the new CEO of TVK Plc. Zsolt Pethő joined MOL in 1998 and he had been the head of R&M Commercial since July 2006.

Ábel Galácz the former Vice President of Strategy has been appointed as the new head of R&M Commercial, his responsibilities include crude oil and feedstock supply and trading as well.

The Strategy and Business Development organisation split into two units from 1 June 2011:

Dr. György Bacsa lead the Corporate Business Development unit, and András Péntek was appointed as the head of Strategy unit, which includes the Strategic Analysis and Planning unit.

In connection with the organisational change the following persons considered as executive employee according to the Capital Market Act. beside the members of the Board of Directors and the members of the Supervisory Board with the effect of 1 June 2011:

Zsolt Hernádi (at the same time Chairman of the Board of Directors)
József Molnár (at the same time member of the Board of Directors)
Oszkár Világi (at the same time member of the Board of Directors)
Zoltán Áldott
Sándor Fasimon
Ferenc Horváth
József Simola

- **On 8 June 2011 the Members of the Supervisory Board elected Mr. György Mosonyi as Chairman of the Supervisory Board. The Audit Committee of the Supervisory Board elected Dr. Attila Chikán as Chairman of the Audit Committee.**